OVERSIGHT OF BUREAU OF INDIAN AFFAIRS AND INDIAN HEALTH SERVICE 1983 BUDGET SUBMISSIONS

HEARING

BEFORE THE

SELECT COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

SECOND SESSION

ON

OVERSIGHT OF BUREAU OF INDIAN AFFAIRS AND INDIAN HEALTH SERVICE FISCAL YEAR 1983 BUDGET SUBMISSIONS

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OVERSIGHT OF BUREAU OF INDIAN AFFAIRS AND INDIAN HEALTH SERVICE 1983 BUDGET SUBMISSIONS

FEBRUARY 26, 1982

U.S. SENATE,
SELECT COMMITTEE ON INDIAN AFFAIRS,
Washington, D.C.

The committee met, pursuant to notice, in room 6226, Dirksen Senate Office Building, at 9:50 a.m., Senator William S. Cohen (chairman of the committee) presiding.

Present: Senators Cohen, Gorton, Melcher, and DeConcini.

Staff present: Timothy C. Woodcock, staff director; Peter S. Taylor, general counsel; Max Richtman, minority staff director; Jo Jo Hunt, staff attorney; John Chaves, staff attorney; and John Mulkey, professional staff member.

Senator GORTON [presiding]. We will call the meeting to order. It would seem appropriate to start since there are so many to testify. If Senator Melcher is not here by 5 minutes after 10, we will suspend. Our hearing today is to receive testimony from the Department of the Interior, Bureau of Indian Affairs, and the Indian Health Service of the Department of Health and Human Services on their budget submissions for fiscal year 1983. At the conclusion of testimony of these agency witnesses the committee will receive testimony from witnesses for tribes and other affected Indian organizations.

On Monday, March 1, the committee will resume testimony with witnesses from the Department of Education with respect to their proposals for reduction of funding and transfer of Indian education to the Department of the Interior and their proposals for reduction of impact aid; from the Department of Labor on CETA reductions; from the Department of Health and Human Services on funding of the Administration for Native Americans; and, from the Department of Housing and Urban Development on their proposal to eliminate the Indian housing program and rescind authority for housing authorized in fiscal year 1982 appropriations. At the conclusion of that testimony the committee will hear additional Indian witnesses.

There are serious issues posed by the budget submissions of each of these agencies. We have a very long day of testimony before us and I will not attempt to list or comment upon these various issues in this opening statement.

We will start this morning's hearing with witnesses from the Department of the Interior; Kenneth L. Smith, Assistant Secretary for Indian Affairs. You may present your statement, Mr. Smith.

STATEMENT OF KENNETH L. SMITH, ASSISTANT SECRETARY OF THE INTERIOR FOR INDIAN AFFAIRS, ACCOMPANIED BY ROY SAMPSEL, AND JOHN FRITZ, DEPUTIES

Mr. SMITH. Thank you, Mr. Chairman. I am very pleased to be here to have you review our proposed 1983 budget. I might introduce the two people up here with me.

To my left is Roy Sampsel, deputy in charge of policy, and to my right is John Fritz, the deputy in charge of operations. John is the day-to-day manager of the Bureau of Indian Affairs.

Now, with the committee's permission, I would like to just briefly recap my statement.

Senator GORTON. Without objection, it will be inserted in the record following your oral testimony.

Mr. SMITH. We are requesting a budget authority of $1.5 billion of which $969 million is in Federal appropriations and $601 million is in permanent and trust funds. The operating programs show a net increase of $47 million. We have net decreases of $17.4 million in construction and $3.6 million in road construction.

I will highlight some of the increases in the budget that are significant. An increase of $6 million is requested in welfare assistance because we know we are going to be impacted by the CETA cuts. We have an increase of $2.3 million for self-determination grants.

We are proposing an increase of $3 million for contract support, a $2.5 million increase for reservation road maintenance, and an increase of $1 million for the real estate appraisal program.

Two initiatives where we have large increases, zero in on two items which I think are very important. One is the strengthening of tribal government which is a key for the future of Indian tribes. We must have strong stable tribal governments if we are going to succeed.

The second initiative is to develop the economies for the reservations. As you know, we have lacked in the viability of Indian reservations in the past. We are proposing an economic development initiative. It will not solve all the problems, but at least it will give us a start in heading down the right direction.

For the strengthening of tribal governments, we have asked for $5 million to help small tribes in Indian country set up a core management team to strengthen tribal government. In most instances, the small tribes do not have the revenue to hire the staff to carry out the programs that the council approves.

Any government really needs a corps of people. If you do not have anybody to do the work, you are not going to succeed. We are hoping to assist small tribes, with a limited amount of revenue, where they can afford to hire such people.

We have also, as I indicated, requested $10 million for an economic development initiative.

I have three principles which I think are important. First is economic independence. That is the essential foundation for Indian self-determination. No. 2, that economic independence will be achieved only within a context of traditional American free enterprise. No. 3, Indian enterprise can flourish only in the political environment of a stable, responsible tribal government. Those are the three important principles that we have used in developing our initiative.

Another item we have in our budget is we have recently announced plans for a major realinement of the Bureau's management structure. We will reduce our management and overhead by $16 million in fiscal year 1983. We are trying to streamline our organization. I do not think there has been any major changes in the Bureau of Indian Affairs for 30 years. We have a changing environment out there. I think we have got to change.

We have plans to transfer BIA schools in Alaska to the State. This is an ongoing policy. We used to have over 100 schools up there. Now we have 37. Because we do have a lean budget this year, it expedited our decisionmaking to transfer the balance of the schools in the next year to 2 years.

We are also phasing and closing down some off-reservation boarding schools. No one wants to close schools, Mr. Chairman, but when you've got a lean budget some hard decisions are necessary. We are operating 10 of these boarding schools with an enrollment of about 3,900. If we had 100 percent occupancy of our schools, that would accommodate approximately 5,600 students. If we remodel some of the facilities, we can go even up to 10,000. So commonsense tells us, we have got too many facilities and too many schools. The cost is very excessive to be able to continue to operate these schools.

So we know that we are going to have to phase some of the schools out. Nobody wants to close schools, but, we are looking at a cost factor here that we really cannot justify.

The boarding schools we have proposed to close at the end of the 1981–82 school year. We also plan to close the Southwestern Indian Polytechnical Institute in Albuquerque at the end of the school year.

Basically, again, the costs of SIPI are excessive. Alternative education is available. If the cost is excessive, we don't think we should be in the business of running a technical school.

In closing, let me briefly outline my beliefs and philosophy that I use to guide in my position in Indian affairs. It is the same as I indicated to this particular committee when you confirmed my nomination last spring.

First, I believe in the strength of the Indian people. The Indian people have the will to govern themselves. The Indian people have the prime responsibility for improvement of their social and economic growth. The role of BIA and other Federal agencies is to encourage and foster an atmosphere to enable tribal governments to have less dependency on the Federal Government.

I believe the tribal governments and the trust relationship will be more meaningful when tribal governments are strong and are less dependent on the Federal dollar.

Now, Mr. Chairman, I thank you for what you and the committee have done for the American Indians. My staff and I are available for any questions you may have at this time.

Senator GORTON. Senator Melcher is here. Senator Melcher, I felt because we have so many witnesses, it would be appropriate to start the hearing. We have just completed Mr. Smith's statement that is his formal testimony. I can be here for only another few moments, so you are in charge until the arrival of Chairman Cohen.

May I ask one or two questions and turn it over to you?

Senator MELCHER. Certainly, I wish you would.

Senator GORTON. Mr. Smith, I was particularly interested in your summary statement about the overall goals of the Bureau in leading to greater self-determination. Nominally, these have been the goals of the Bureau of Indian Affairs from time immemorial, have they not?

Mr. SMITH. Right, I think they have.

Senator GORTON. We have not been terribly successful.

Mr. SMITH. No.

Senator GORTON. Your proposed budget authority for the year is a little bit over $1.5 billion. That was at the beginning of your statement. Can you tell me the approximate additions or additional amounts of money which are contained in the appropriations for other Federal Government agencies, exclusively or primarily directed for the Indian affairs?

Mr. SMITH. The proper figure to use when you are looking at this is, you have to use the $969 million in Federal funds. The remainder is trust and permanent funds. I think that we have probably another billion or so in other Federal programs. In 1983, if you total everything up, there is an estimated $2.7 billion that we are expending.

Senator GORTON. What is the Indian constituency that that amount of money serves both on the reservation and off?

Mr. SMITH. On reservation, we have around 700,000 Indians. Off reservation, I think we probably have an equal number. I am not sure. The Federal Government is not providing services for all of the other Indians that are off the reservations. We are providing services for some of the Indians in that sector.

Senator GORTON. So the great bulk of the $2.7 billion is directed on-reservation, a disproportionate amount.

Mr. SMITH. Most of our money is directed on-reservation. That is our constituency so we know we are spending about $1 billion there.

Senator GORTON. If we are to assume that it was directed entirely on reservations, which is not quite correct, but it amounts to close to $3,500 per capita for the Indian people or somewhat less than that if we include this in the off-reservation.

Yet, I know that you have told us, as well as many of the tribal managers, that the Indian people, by and large, are at the bottom end of the economic peak in the United States as a whole, and at the bottom end educationally.

And from the point of view of health care which is offered to them, I guess they are at the top end of unemployment.

Mr. SMITH. Yes.

Senator GORTON. They would be an awful lot better off, would they not, if we just gave them the $3,500 each per capita than going through this immense bureacracy which has been built up to insulate them from the world?

Mr. SMITH. I do not think so, Mr. Chairman. It is sort of like a tribe terminating. If you give the money out, most of it would be blown. It would probably be not spent properly, so I think that would not be a good solution.

Senator GORTON. What realistic chance is there that the programs you are talking about today really are going to result in the kind of changes for self-determination?

Mr. SMITH. First of all we have a job as the trustee. We have a trust responsibility in managing and protecting their resources: their land, water, and minerals; their money; and so forth.

I think that the key, Mr. Chairman, really is when we see a success in Indian country, we see that start come from the community or the communities themselves. We see the stability of tribal government.

That builds the foundation. Then I think the tribes do need assistance in developing their resources which we are trying to move toward. They need assistance in developing their economies around that reservation. We do not have all of the solutions for some of the tribes that do not have resources. I am not sure what the solution is going to be in such cases.

Senator GORTON. Give me some examples of success stories, at least relatively speaking. Where would you say these policies are? On what reservations? Where have they been most successful?

Mr. SMITH. I guess I am a little biased, Mr. Chairman, because I have worked for my particular reservation for 22 years. I have seen the thing flourish and grow. I look back and say, "Why did they do it that way?"

Really, you have to pin it to the people themselves in the stability of our political body and separating our politics from our day-to-day operation of businesses. I have seen that happen there.

Senator GORTON. Does the tribe that you come from have a lower unemployment rate?

Mr. SMITH. Yes, it does, although it has maybe a 15 to 20 percent—well, naturally, like any other community, you are not going to be able to hire every person.

I might add that we probably had from 1,000 to 1,600 jobs in the summer and 1,000 at the bottom line in the winter. We have only about 600 in the work force so to me, that is important.

Senator GORTON. Can you give me other examples from your own personal experience, or away from it, as to what you consider to be successful? Tell me what is inherent in these success stories? What differences are there in those places, from the ones where we have not done so well, that we should follow in the future?

Mr. SMITH. Let me think. White Mountain Apache is running a pretty good operation. Where you see success happening, is where there are resources being developed. You see the reservation being developed. You have to key in on those resources. Those are the reservations that are going to be successful.

You have Mescalero in the Southwest. That is another reservation where they are doing a lot of things. You have to have good strong stable tribal government. They are willing to go out and hire qualified persons. That is a key. You have to hire the best in order to carry your plans out. We have learned to do that.

There are not too many out there, but they are beginning to flourish right now. We can soon have a lot more of those reservations moving and developing their resources. It is not going to happen overnight. I am encouraged.

Senator GORTON. Thank you very much.

Mr. SMITH. Yes, sir.

Senator GORTON. I must leave now. I am sorry. I will turn it over to you, Senator Melcher.

Senator MELCHER [presiding]. Thank you very much.

Now, Mr. Secretary, your testimony says you are going to save $16 million by shuffling the area offices around. Now, that $16 million is to be saved in fiscal year 1983. Admittedly, out of the budget of about $1.5 billion, that is not much of an item. Then you said that it is going to be more effective and efficient. It is going to be more political, too, is it not?

Mr. SMITH. It probably will be a little bit more political. No one wants to see change.

Senator MELCHER. Is it more political Republican or Democrat?

Mr. SMITH. I am not sure. I have not really thought about that at this point.

Senator MELCHER. Now, the Billings office, what about that? What is that? Democrat or Republican? What am I? A Democrat or Republican.

Mr. SMITH. A Democrat.

Senator MELCHER. What is Senator Baucus?

Mr. SMITH. I do not know. I think he is a Democrat.

Senator MELCHER. That is minus two on that side. What is Albuquerque? That is in New Mexico.

Mr. SMITH. New Mexico?

Senator MELCHER. What is the makeup of the Senators from New Mexico?

Mr. SMITH. Probably Republican.

Senator MELCHER. What about Minneapolis? That is in Minnesota.

Mr. SMITH. I am not sure who the Senators are there.

Mr. FRITZ. I am from that State. They are both Republicans.

Senator MELCHER. Thank you.

Mr. FRITZ. Yes, sir.

Senator MELCHER. Where will the Maine Indians go for their area office?

Mr. FRITZ. At this point I have them slated to be administratively serviced from the Minneapolis regional office.

Senator MELCHER. Maine through Minneapolis.

Mr. FRITZ. Yes.

Senator MELCHER. Where do they go now if they are an Indian in Maine?

Mr. FRITZ. They utilize the line office in Arlington, Va.

Senator MELCHER. And the Washington, D.C., metropolitan area, that is served by two different airports. So an Indian in Maine, instead of coming to this area, would go to Minneapolis?

Mr. FRITZ. That is what we are consulting on right now.

Senator MELCHER. Where was this proposal hatched?

Mr. SMITH. The proposal basically, the details I will let John go through, but the proposal was hatched basically when I came on board. There had been criticism of the Bureau of Indian Affairs. There had been indications that we had too much fat in the hierarchy. We had too many managers. We had too many area offices. There had been suggestions that we do away with all area offices completely.

That was suggested within the last 10 years. They said we had too many people in the Bureau. And when we said if we have to reduce our budget, what do you propose to cut?

Most Indian people will tell you, "Don't cut our programs. Cut that bureaucracy in Washington, D.C."

We took a good look at it. We know we had too many people. We thought we could run a lot better operation if we streamlined it, so we went to work on it.

John picked it up. We came to some conclusions that we can operate with less and be more efficient. That is where it hatched.

Senator MELCHER. When you are making up this budget, Mr. Secretary, well, it was hatched by BIA, what was your first request of Office of Management and Budget?

Mr. SMITH. They expedited our decisionmaking. I agree with that. They indicated for the time being, why do you not cut 25 percent of your staff from the central office and area offices in 1983, and why do you not cut another 25 percent in the 1984 cycle? What we would be doing in the 2-year period of time would be to whittle everything in half.

We said that did not make sense to us. Let us come up with the cuts. Let us make the management decisions. That is what we agreed upon.

Senator MELCHER. On November 13, last fall, OMB directors marked the Department of Interior in the 1983 to 1984 budget—well, on page 3, it said a reduction in BIA headquarters in area offices of 50 percent of their staff, for a major change; and on page 40 of that document, it said that the personnel resources requested for the central offices and area office levels had been reduced by 50 percent. Is that what they are telling you to do?

Mr. SMITH. Yes.

Senator MELCHER. Leaving 423 total FTE in the central office and 757 FTE in the area offices, and at least seven area offices should be closed or consolidated to achieve more efficiency in program management and administration. This reduction will be based on a 2-year period to facilitate the staff reduction and would result in at least a $16 million savings in 1983 and a total savings of $32 million over the 2-year period. That is, 20 positions have been added to the Office of Planning and Budget and Administration, Office of the Secretary to oversee Indian grants to insure that BIA and the tribes are combined with all applicable Federal laws and regulations.

That is what they told you to do. What did you do then? That was November 13.

Mr. SMITH. We objected to that particular proposal. We said, "If you want us to scale down, and you want us to cut $16 million out of our management and overhead, let us make that decision. Let us decide how many areas we need; what offices we need to be able to provide services to Indian tribes."

But we did not want OMB telling us, "This is where you are going to end up. You are going to have five areas left, and you are going to have 50-percent reduction and in people.

So we at least got them to agree to let us make those types of decisions. Then we would come up with the $16 million cut.

As I said before, we would have made reductions in this particular area, even if we did not have that pressure, but it expedited our decisionmaking. We were taking a good look at our structure. We knew we had to make some changes. We probably would have made them this coming year.

Senator MELCHER. Then it was not hatched in BIA? It was hatched in the Office of Management and Budget?

Mr. SMITH. They expedited the decisionmaking.

Senator MELCHER. In other words, what they hatched in November of 1983 or 1981, you might have hatched some time later?

Mr. SMITH. This year, probably this coming cycle.

Senator MELCHER. What would the Office of Management and Budget know about this? What does David Stockman know about Indian treaties, let us start out.

Mr. SMITH. I do not think he knows anything about Indian treaties.

Senator MELCHER. I do not think he does, either. The $16 million was sort of picked out of the air. Does it have any offsets?

Mr. SMITH. Offsets?

Senator MELCHER. Yes.

Mr. SMITH. The $16 million?

Senator MELCHER. There is a claim that on November 13, in the OMB document that they sent back to you——

Mr. SMITH. Yes. We have some other things, you might say, to give up or that we would prefer to give up. I cannot recall some of those other things we preferred to give up.

Senator MELCHER. I do not mean what you preferred to give up. Now, for instance, they said they are going to add 20 positions to the Secretary's office. Is that your office?

Mr. SMITH. Yes.

Senator MELCHER. What is that going to cost?

Mr. SMITH. They did not add 20 positions to my particular office. It was recommended at one time, but we did not get the money to put that in effect.

Senator MELCHER. They are saying that 20 positions had been added to the Office of Planning, Budget and Administration—the Office of the Secretary.

Mr. SMITH. That is right.

Senator MELCHER. Is that the Office of Secretary of the Interior?

Mr. SMITH. Yes. The Assistant Secretary in charge of Policy, Budget, and Administration.

Senator MELCHER. What is that going to cost?

Mr. SMITH. That did not come through. When we finally got our last pass-back, that was not in our particular budget. That did not materialize.

Senator MELCHER. Are there any offsets to the $16 million in savings?

Mr. SMITH. No, the only offsets we have is that we have got to reduce our personnel in management.

Senator MELCHER. Maybe I am using the wrong term. Is there anything about the $16 million in the so-called streamlining that is going to occur, that is going to cost more?

Mr. SMITH. Yes, we have the two initiatives. This could have been a balance or a balance in effect. I am not sure what the OMB strategy was. As a coincidence, we have $10 million that we are proposing for economic development and $5 million for small tribes which amounts to $15 million.

Senator MELCHER. I am probably not presenting it right anyway. Is there anything—and I am not talking about additional initiatives or anything else—that you might do. I am talking about, is there $16 million that is really going to be saved or are we going to find out that—or what is it going to cost to move these employees?

Mr. SMITH. Let me have John talk on this. He has more details. He is the one who is responsible for making this happen.

Mr. FRITZ. I am sorry, Senator, I did not understand the context of your question. Right now, we are in the process of consultation so we are still at a conceptual stage. We are talking to the Indian tribal leaders, Indian educators, various Indian school boards around the country as well as to the people up here on the Hill, and to the various employee collective bargaining agents around the country. But at the conceptual stage, I am looking for an annual savings of somewhere between $21 to $24 million. The total cost of this move would be somewhere in the neighborhood of $6.5 to $8.5 million, depending on how the various regions are staffed, what occurs as a result of the consultation, and how we ultimately tailored the various regions to the needs of the Indian people that we attempt to serve.

Senator COHEN [presiding]. Am I correct BIA objected to the $16 million cut but that, in fact, you were overruled by OMB? You did not make this recommendation to OMB that you could save $16 million and present the plan to OMB and they said, "It's great." And OMB came back and said, "You have *x*-amount," and that meant less than $16 million in this particular category. Now you are given the job of trying to come up with some rational plan as to how to save the $16 million? Is it fair to say you do not really have a rational plan at this point?

Mr. FRITZ. I think conceptually, we have a rational plan. Until we finish the consultation process, we do not have a complete plan.

Senator MELCHER. If you subtract the $8.5 million that it is going to cost you to do this, from $21 million, you come up with $12.5 million.

Mr. FRITZ. It is $24 million, sir. It is a range in those categories at this point.

Senator MELCHER. If it is $24 million, that is the top of the range. I came up with a top saving of $15.5 million.

Mr. FRITZ. We are looking at the overall program management and administrative cost.

Senator MELCHER. You are going to close down Aberdeen, is that right?

Mr. FRITZ. That is proposed, sir.

Senator MELCHER. What will you use in Rapid City?

Mr. FRITZ. We have been approached by several groups at this point. We are just looking at them.

Senator MELCHER. Are they hard figures or anything?

Mr. FRITZ. No, sir.

Senator MELCHER. Are you going to build or rent?

Mr. FRITZ. We are looking at leasing at this point. There could be building or whatever is essential.

Senator MELCHER. What about leasing there? What is it for leasing? I used to live south of there.

Mr. FRITZ. Some people have come to us and they say they are building there. I mean that there is lease space available.

Mr. SAMPSEL. The figures that we were given by GSA, with a cost per square foot indicated by their procurement division, identified adequate space available for the move in terms of square footage. I can provide that information for the record that was provided to us at the time we were making some of the decisions and asking some of the same questions that you are.

Senator MELCHER. What is the square footage? You have that worked into the $8.5 million?

Mr. SAMPSEL. I was talking about square footage available for Federal rental provided us by GSA. You mean, what was the cost per foot?

Senator MELCHER. Yes, you have $8.5 million.

Mr. FRITZ. That is part of the ongoing operation for the area office. The closing down of the lease of the other Federal installations in Aberdeen and Billings would be part of the $8 million cost or up to $8 million.

Senator MELCHER. You are in a Federal office building at Billings and at Aberdeen.

Mr. FRITZ. Yes.

Senator MELCHER. What is the $8.5 million? That is, what is the square footage, the lease that GSA is telling you that is available in Rapid City? How much?

Mr. SAMPSEL. How much space?

Senator MELCHER. How much per foot?

Mr. SAMPSEL. I do not have that figure. We will provide it.

[Subsequent to the hearing the following information was received for the record:]

The GSA-provided estimate for office space at Rapid City, S. Dak. is $10 to $12 per square foot in commercial space.

Mr. FRITZ. I attempted to give the estimates that we are working with.

Senator MELCHER. That is what we are talking about. We have to have cost per foot.

Mr. SAMPSEL. As I said, we will provide that to you for the record, sir.

Senator MELCHER. Now, you go out of a Federal building at Billings, and at Aberdeen, and you are going to lease something in Rapid City. I do not know how OMB can have any figures of coming out with a savings of $15.5 million.

Mr. SAMPSEL. It is a one-time cost that will require some reprogramming in terms of making these types of decisions, but I——

Senator MELCHER. A lease is not a one-time cost. Do they not collect every year?

Mr. SAMPSEL [continuing]. The lease is the cost of operating, yes. We have a situation in which we have been operating where we will determine the size. There are considerable savings as we look at the total picture. I appreciate your concern about the move from Billings and Aberdeen as to the consolidation in Rapid City as a conceptual concept. When we start talking about the savings and streamlinings that need to be done, then the policy and conceptual guidelines for this, contrary to your earlier suggestion that it may have been based on political considerations, is based upon delivery of services to the Indian people.

I just returned, last night, from a meeting with about 100 people, some from Montana, who may be served by the Portland regional office. It was a consultation session with the Indian leaders. We met for a number of hours in Portland. I met with our agency superintendents seeking from them the best definition of what they thought they needed, and recognizing the tightness of the budget situation. You deal

with a declining cost that we want to build into this thing so we can eliminate the overhead and the administrative cost and get more dollars to the Indian people. That is the goal.

A piece of this comes about through this reorganization. It is unfortunate that the arbitrary figure is $16 million. I was told by some Indian leaders before I left town that we had not taken enough in this area. That we probably would be looking at more by the time we finished our consultation with the individual tribes.

We believe that Rapid City is an ideal location as to the longer term development of the service to the tribes in the central and higher plain States.

Senator MELCHER. I will submit their stated opinion as of February 25 for the record. It is the Montana Inter-Tribal Policy Board, which is not last week. It is this week. They can not find any savings in it. They vigorously object to it, and I also submit for the record the statement of the Office of American Indian Coordinator of the State of California where they mention their concern.

[The material follows:]

Montana Inter-Tribal Policy Board

2303 Grand Ave., Suite 6, Billings, MT 59102
(406) 652-3113

OFFICERS

CHAIRMAN
Bill Yellowtail
Fort Peck

1ST VICE CHAIRMAN
Phyllis Spang
Northern Cheyenne

2ND VICE CHAIRMAN
Bill Yellowtail
Crow

SECRETARY TREASURER
Don Bishop
Little Shell

MEMBER TRIBES

Blackfeet
Crow
Flathead
Fort Belknap
Fort Peck
Little Shell
Northern Cheyenne
Rocky Boy

Executive Director
Clayton Small
Northern Cheyenne

February 25, 1982

Honorable John Melcher
U.S. Senate
Washington, D.C. 20510

Dear Senator Melcher:

The tribal leaders from the eight Indian Reservations of Montana and Wyoming respectfully request your consideration and assistance for seeking a hearing with the Senate Select Committee on Indian Affairs regarding the U.S. Bureau of Indian Affairs' proposed realignment plan.

This request is based upon the tribes' severe concerns with the nature of the plan itself, and upon the fact that the tribes have thus far been denied any opportunity to offer input into the formulation of a plan that will have direct and very drastic effects upon the conduct of their affairs.

The tribes of the Billings Area (Montana and Wyoming) have repeatedly requested, both individually and collectively, some opportunity to receive first-hand information and to express their views with regard to this plan with the Secretary of Interior and the Assistant Secretary for Indian Affairs. These requests have not been honored, and the tribes have been kept totally isolated from the decision-making process that has resulted in the formulation of the plan. The tribes have only lately been informed of the major aspects of the plan, but no rationale has

been offered and therefore the entire concept remains incomprehensible. Important questions remain unanswered, so tribes are reduced to a position of reacting to rumors and speculation.

All nine tribal chairmen of the Billings Area met on February 1, 1982, to confirm their unanimous consensus in opposition to any plan to remove the Billings Area Office of the Bureau of Indian Affairs from Billings. This consensus was reaffirmed after tribal leaders had been briefed about the Bureau's plan on February 23. The tribal leaders expressed six of their concerns with the specific matter of the planned removal of the Billings Area Office, as outlined below:

1. The northern plains areas (i.e., Billings and Aberdeen) have not been considered fairly in the proposed plan. A case in point is the fact that the two areas have, under their jurisdiction, over two-thirds of the total trust allotments in the United States. For this reason alone, it hardly seems justifiable to consolidate these two important Area Offices when little significant consolidation is proposed throughout the rest of the areas in the country. It would appear that these two areas are being singled out to bear a disproportionate share of the Bureau's cost savings.

2. The Billings Area is currently the focus of tremendous energy resource development. The tribes within the Billings Area have over 1200 producing oil and gas wells, and coal production is now approximately 5,000,000 tons per year with plans which would triple this production. In fact, the Montana and Wyoming tribes constitute an increasingly significant energy resource area; to actually reduce the total attention paid to this area, as the plan suggests, would appear questionable.

3. The actual cost-saving strategy of creating a new area office in Rapid City, South Dakota is unclear. This is especially questionable in view of considerations such as moving cost, facilities availability and the cost of transportation to and from Rapid City for both reservation-based and area office-based personnel.

4. The realignment plan, with the proposed Aberdeen/Billings consolidation, will effectively reduce accessibility of BIA services to Billings Area tribes. This, along with reductions and consolidations in local BIA Agency-level services that are soon to be proposed, will leave tribes with a net loss of real service access.

5. The tribes will face greatly-increased travel cost if they are required to deal with a Rapid City location. Conversely, field travel

for Rapid City-based BIA personnel will increase in the same proportion. With current and prospective travel restrictions, this factor will likely result in even further reduction of services to tribes.

6. The regionalization of technical services poses serious impracticalities. For example, the placement of water rights services in Albuquerque as proposed will create accessibility problems. But more important, the northern plains tribes point out that their water rights issues are quite different from southwest area issues, and they are very concerned that service center placement outside of the Billings Area may result in a reduction in quality and concentration of technical services in this crucial area.

In summary, the tribes of the Billings Area feel an urgent need to express their concerns regarding the proposed BIA area office realignment plan. Therefore, they are anxious to address the Senate Select Committee on Indian Affairs, preferably in a field hearing in Billings, if that is at all possible. However, tribal leaders have indicated that they are sufficiently concerned that they would be willing to travel to Washington, D.C. to attend a hearing, if necessary.

Thank you for your consideration. I will be pleased to provide any information that you may require.

Sincerely,

William P. Yellowtail, Jr.
Executive Director

State of California
GOVERNOR'S OFFICE
OFFICE OF AMERICAN INDIAN COORDINATOR
1400 TENTH STREET
SACRAMENTO 95814
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EDMUND G. BROWN JR.
GOVERNOR
OFFICE OF
PLANNING AND RESEARCH

1982 FEB 23 AM 9:27

February 19, 1982

Senator John Melcher, Ranking Minority
Member
Select Committee on Indian Affairs
6317 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Melcher:

We object to the Administration's proposal to close the Sacramento Area Office of the Bureau of Indian Affairs. California has the largest Indian population of any state in the country and more than 80 federally recognized reservations.

We have been informed by many tribal officials that there has not been an opportunity for California tribal officials to consult with the California congressional delegation or even administration officials on the proposed Area Office closure.

We are very concerned that the proposals to divide the State and have some tribal governments relate to the Portland Office and some relate to the Phoenix Office will create an undue hardship on tribal officials who often have a hard time even getting to Sacramento.

Your assistance in ensuring that California tribal officials have an opportunity to be heard on this will be appreciated.

Sincerely,

Rachel A. Bluestone

Rachel A. Bluestone
American Indian Coordinator

Senator MELCHER. You have a figure of $15.5 million savings but you do not know what it is going to cost to move out of the Federal building in Billings and in Aberdeen and go into space in Rapid City. I am going to ask what it will cost in additional travel for BIA personnel to go to the various reservations out of Rapid City which, by the way, I do not know how to get to anymore, from Billings or from the Crow in northern Cheyenne and these areas. I know how to drive there by car, but short of doing that, I do not know how to get there; that is, by public transportation means.

Now, what are those additional costs that will be spent, first of all, by BIA to go to those reservations that I just mentioned—say, the Arapaho reservation.

Mr. FRITZ. That information will be generated by, what I would term, provisional regional directors out there on the ground. Both for consultation purposes and analytical purposes, we had to have a target to shoot at.

There is no use in going into the blue sky. I wanted to give people the opportunity to comment on a plan that has been looked at by us. So, I gave them this plan. We have people on the ground now examining it. We have given the Indians leaders the opportunity to examine it.

I am going to extend the consultation period for an additional 10 working days, to March 26, so we can have more adequate input. We are getting comments from Senator Cohen's State, some of the other Eastern States, and representatives from tribes in your State relating to the need for more time to consult on this. We are giving them that time. We are going to extend that time based upon the tribe's needs.

And as a result, these provisional regional task forces are going to be out there looking at the kinds of issues you raised. We have not had an adequate time to prepare this.

Senator MELCHER. In the past 6 years, I know of three studies on management and organization for the BIA: the American Indian Policy Review Commission and Management Study which was completed in September 1976 that cost $150,000 plus 4,000 hours—that is 4,000 hours that were donated by various companies throughout the United States; the management and improvement project conducted by the Assistant Secretary in 1978 through 1980; and the current review done by Assistant Secretary Smith.

Now, none of this, of which I am aware, was studied by the Office of Management and Budget prior to their November 13 decision. First of all, do you know of any additional studies?

Mr. SMITH. I am not aware of any, Senator.

Senator MELCHER. So how does your proposal, Mr. Secretary, differ from the other two studies?

Mr. SMITH. I have not had an opportunity to look at the other studies and what conclusions they came up with. I think we are proposing a pretty good plan. In fact, Senator, if you take the recommendations that—well, we have them coming in right now, such as why don't you do away with this? Why don't you do away with all the area offices? Why don't you do away with Minneapolis?

These are recommendations we are getting today.

Senator MELCHER. Now, in reviewing these studies, you could develop your own concept. The American Indian Policy Review Commission recommended, in their study, that area directors no longer have line authority.

Mr. FRITZ. That is not what we are moving to.

Senator MELCHER. Are you not really being told what you are going to do ahead of any review of what has been done in the past? It was looked at by the American Indian Policy Review Commission. None of this was worked into what the Office of Management and Budget did when they picked the figure of $16 million.

Mr. SAMPSEL. Let me try to address that.

Senator MELCHER. Go ahead.

Mr. SAMPSEL. The $16 million figure is a figure that was suggested as a means for a budget reduction. The passback that you referred to this morning indicated the means by which that savings was to take place.

It was strongly objected to by the Department of the Interior and its reply to that passback. As a result, the language of the specifics on how it was to be done was left to the management discretion of the Assistant Secretary's office and the Department in terms of looking at those issues.

Most of us testified before the Policy Review Commission before coming to the staff. A lot of us served on working committees in various areas.

Senator MELCHER. That is well and good, but that had not been related to the Office of Management and Budget when they picked the figure of $16 million and said, "Here is the way you save it."

The whole line of my questioning is just to demonstrate that you were told what to do by somebody who was completely out of the picture of knowing what the Indian programs are. There have never been any feelings around here, of which I am aware, in Congress or throughout the country, that the Office of Management and Budget has the slightest expertise or knowledge of, first of all, the treaty obligations and the purpose of the Bureau of Indian Affairs and the trust or responsibility of the Secretary of the Interior regarding the treaty obligations and the function of the Bureau of Indian Affairs.

Mr. SAMPSEL. I think that statement is very well true in terms of their functions. Our job within the Department in the preparation of the budget and the programs andd design and implementaion is to know treaties and to carry out the Secretary's trust relationship with Indian tribes and people. That is a piece of our position.

I do not believe, Senator, that the budget diminished that role with the Secretary, the Department of the Interior, the Assistant Secretary, Ken Smith, or his key staff. The budget cut in relationship to overhead and administration perhaps not done by people knowledgeable of Indian business, did not diminish the effectiveness of delivery of services to the Indian people. It is consistent with reports and testimony given to this committee and to other committees and to individual groups in the field saying that the overhead and administrative burden of the Bureau of Indian Affairs was too high.

Senator MELCHER. The fact is there has been a great deal of work done previously on how better to deliver to the Indian people the functions of the Secretary's office.

Now, if, on November 13, OMB unloaded on the Department of the Interior an obligation to get rid of half of the area offices, then it was objected to. Seemingly, while I am still told that is what is going to happen, I am going to suggest that perhaps we ought to ask the Comptroller General to look at all of these studies and to review what the

true cost of savings might be, because you can not tell us and to talk about consultation with the tribes who already are objecting to it because they see additional cost to them, either additional cost to them or a lower degree of service. That is not what the tribes have been asking.

The tribes have been asking for less overhead and more service. But this seems to be a method of talking to them after you have gotten some mandate from the Office of Management and Budget. We are in a position of having to deal with the budgetary figures very shortly here in the Senate, and also I would have the same obligation to come up with the budget.

We do not have all of the time that your consultations will take between now and when we are going to have to act on the budget figures. So, I wonder if you would not think it wise to have a General Accounting Office review all of this with you, and delay any activity or reduction or modification so that we know where we are going.

Mr. SMITH. Now, Senator, it seems to me that we would do study, after study, after study. I can think of all the money we spent on studies but we never seemed to take any action. We feel we have got to move with this thing and take some action after we do our proper consultation.

I think we can come up with a good plan that will fit the responsibilities that we have. I feel pretty good about the proposed plan. I would rather take a reduction in overhead than take it out of the tribal programs.

Senator MELCHER. I will get back to you later. Thank you.

Senator COHEN. Let me see it I can explain our dilemma. When Senator Melcher asked what David Stockman or anybody else in OMB knows about the Indian treaties, the answer, I think, correctly is: Not very much, if any.

I think if the same question was asked of how many Members of the Senate or Congress know much about Indian treaties and trust obligations and tribal programs, the answer would be, not many; maybe a few here on this committee and a few on the Interior Committee. Beyond that, the rest of the Members are not terribly familiar with it.

We do not have a comprehensive understanding of the trust responsibility of the tribal programs as well. This committee is in a special situation, just as you are. We realize that we have, according to today's paper, a $130 billion deficit staring us in the face.

All of us are going to be required to come up with some sort of a rationale as to how we are going to reduce the $130 billion to something we can live with by bringing interest rates down.

Everyone—well, we will be put to a test to find out whether or not these cuts are fair, reasonable, and rational and consistent with a plan that will not, in fact, have an adverse impact upon the people they are designed to serve.

I think it would be wrong for us—for this Member, at least—to take a categorical position and say we are opposed to any cuts. Maybe we have to suffer some cuts. A caveat to that is, if those cuts, in fact, are going to be made, then we have an obligation to be able to explain to our colleagues saying that this is not really going to interfere with or undermine or jeopardize the programs which we are obligated to fund.

I think what Senator Melcher is suggesting is that we are staring at some sort of a March 26 deadline coming up, and we are not ter-

ribly comfortable looking at March 26 deadlines when we do not have any information in front of us in terms of how this is going to be achieved beyond the conceptual theory right now.

So, I think it is only fair that we, at least, try to put you to the task of saying, "OK, you have got to amend. OMB says you will get $16 million less. Come up with a plan that says you can do this without injuring the programs themselves and depriving people of needed assistance." But we are not going to have much time to look at that before March 26. That is going to be the plan when it is put in concrete. This puts us in a very difficult position as well.

I would like to ask some specific questions. We are going to hear testimony from the Penobscot Indian Tribe in the State of Maine on the question of the situation of schools on Indian Island. I have been to the reservation. I have looked at some of the facilities, and frankly, they are in a terrible state of affairs. In fact, we had Frank Latta who traveled to the reservation, the acting chief of the BIA school facility staff; he inspected the schools.

I will read what he said. This is dated February 3:

None of the classrooms come close to providing square feet per pupil recommended by the bureau. The configuration of the building, which is a wooden structure, is such that it would be nearly impossible to evacuate in case of fire. Until the additional of a sixth grade room, only one toilet for girls and one for boys was available, and two additional rest rooms were added when we had the sixth grade construction, but still inadequate for the 100 students now in attendance plus the staff.

It concludes:

A new school on a new site is the only solution for the education problem at Indian Island.

On December 24 of last year, BIA published its priority list, and I believe Indian Island was listed as seventh in priority. I was wondering, what do you use in terms of the criteria?

Mr. SMITH. This is what I understand. It is in the seventh slot. It is based on a criteria that I am not completely familiar with in detail. I would have to have one of our education people respond to that in more detail.

Senator COHEN. One of the other items we looked at is critical life safety needs, and a view of their own investigation of this place as a hazard. I am perplexed as to why it is seventh and not higher. That is, if you have that kind of a situation. I would like to have this information.

Mr. SMITH. Yes.

Senator COHEN. I would like you to explain to the committee, and if you do not have the information, you may submit it, but the rationale of the bureau—at Pleasant Point, which I noticed is No. 6 on school construction, perhaps you can also enlighten me on that listing. We had a rather controversial land claim that was settled over 1 year ago, and as a result, there has been a significant increase in the amount of land held in trust by the Federal Government on behalf of the tribes. It has increased from some 4,446 acres to the neighborhood of 67,000 acres. Yet there is no addition or increase in the land management program.

Here you have some prime timberland which has come into the trust ownership of the Federal Government. Yet, there does not seem to be any increase in the land or the forestry management.

Is this a rational way to deal with property of that nature?

Mr. SMITH. I would say it would not be.

Senator COHEN. You would save money and make things more cost effective. You want to do that, and yet here you have an asset that does not count the 80,000 acres the tribe holds in fee. It would seem proper management procedures would include some sort of increase to make that production.

Mr. SMITH. I would think so. If their land base is increasing in the timber area, the budget should be increasing and the allocation that we allocate to them. In fact, the 1982 budget included $460,000 for additional Maine land management activities.

Senator COHEN. Do I have your assurance that you will take a look into the management?

Mr. SMITH. Yes.

[Subsequent to the hearing the following correspondence was received for the record:]

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., December 14, 1982.

Hon. WILLIAM S. COHEN,
Chairman, Select Committee on Indian Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: During my testimony at the recent Oversight hearing on the Bureau of Indian Affairs fiscal year 1983 budget, you asked that I look into the management of lands recently acquired in trust by the Maine tribes. I have reviewed the Bureau's funding for management of these lands and wish to clarify some of the information provided during and immediately after the hearing.

In fiscal year 1982, the Bureau requested and Congress appropriated $460,000 in "New Tribes" funding to increase the base funding for the land management programs of the Maine Tribes. Due to the timing of the budget process these extra funds were not included in the tribes' base for planning their fiscal year 1983 priorities. Therefore, the fiscal year 1983 request for New Tribes funding still includes the $460,000 which will be allocated to the Maine Tribes during fiscal year 1983. In addition to these extra funds, the tribes will have the base program amounts which were established in the fiscal year 1983 tribal priority setting process.

In the fiscal year 1984 planning cycle, the extra funding has been added to the Maine Tribes' base. Total funding levels after fiscal year 1983 for the land management programs will be set by the tribes' priorities for those programs.

I hope this clarifies my testimony to your satisfaction.

Sincerely,

KENNETH L. SMITH,
Assistant Secretary, Indian Affairs.

Senator COHEN. I would like to turn to some general questions on general assistance and child welfare for a few moments. On page 4 of the BIA budget justification under the heading Indian Services, the justification reflects a net increase of $8.3 million for social service programs consisting of requirements related to the expression of tribal priorities and general assistance grants. And on page 50 and 51 of the justification, it reflects an increase of funding for welfare grants and the support of Indian child welfare of $8 million.

The question I have is, in what way can that $8 million be said to reflect the tribal priorities? How were the tribal priorities determined, and is welfare a program in which the tribe has expressed a priority?

Mr. SMITH. The basic general assistance grant program is not in the tribal priority system. That is based upon the case loads that we have and the estimated case loads that we are going to have in the next fiscal year.

The big increase—and we know we are going to get impacted, and we are getting impacted this year somewhat, because of the CETA cuts.

Senator COHEN. How does this reflect tribal priorities? There is no tribal priority for an increase in general assistance and welfare, is there? That cannot be a tribal priority as opposed to maintaining the CETA program at its former level.

We went through this last year, you may recall, when, in fact, we had an elimination of CETA. They said it would increase BIA welfare assistance. There was no money put there in BIA welfare assistance. Is this to suggest that the tribal authorities have set a priority of putting it into welfare as opposed to child training?

Mr. SMITH. No. Now, Mr. Chairman, we have to take a good look at the way that we consult on this particular budget. This particular year, or before we start our 1984 process, our budget preparation, we plan to go out into each region and hold some hearings on, say, if we had to increase our budget, where do you want to see it increased? If we had to reduce it, where would you see us reduce that budget?

Our tribal priorities or band analysis right now only makes up 27 percent of the total budget. There is always a question whether to include more programs within that band or not. We are taking a look at that process.

Another question has come up; the way we allocate money. Do we allocate it because of the population, the land base? Or do we allocate money based upon needs?

There are several questions that have been coming up that we have to get a handle on.

Senator COHEN. This in no way reflects the tribal priorities in terms of the child welfare programs or their increase if they had a choice. This is not one of their choices?

Mr. SMITH. I am not sure what their choice would be.

Senator COHEN. You said an increase in CETA funding could increase their BIA general assistance case load by 12,000 to 18,000 persons above the current level of the 57,750. Looking at page 51 of that budget justification document, it seeks an increase case load of approximately 6,000 to fiscal 1983 and $8 million.

The question I have is, what basis for a projected case load increase do you have and what is the basis now if a case load will go anywhere from 12,000 to 18,000 when, in fact, the justification says 6,000 for fiscal 1983?

Mr. SMITH. Right now we had contacted people in the field. We came up with where we think the CETA cuts would impact. We feel it could be as high as 8,000 jobs. We would not have 8,000 jobs and a $45 million payroll.

We felt that from 40 to 60 percent would end up on welfare. It is pretty hard to target it at this time, and we are monitoring it as we go.

The impact has not been too great at this particular time because a lot of the people were on unemployment compensation. When unemployment dries up, there will be a big impact on our particular program. We are estimating at this time that we will have an impact on the welfare program because of the CETA cuts of between 40 and 60 percent of the people that do not have a job.

Senator COHEN. It is between 12,000 and 18,000 but the budget justification shows 6,000.

Mr. SMITH. That is right.

Senator COHEN. The $8 million is really not going to be adequate since this is about a third of what it might actually be?

Mr. SAMPSEL. Two things happen in the 1983 cycle as directed by Congress; the providing of general assistance in Alaska, this ends in April of this year. That will amount to about $4 million so you have some offsets in terms of the increase in funds that are reflected in the $8 million.

We are going to have an increase in the general assistance needs. Part of the problem in getting this is when you are estimating unemployment impacts. We have been very, very hard pressed to come up with a good estimate based on past trends because we are in such an unusual economic time frame, and we did not know the impacts of some of the cuts.

The studies last summer, to determine the impact on tribal governments, were done by the Bureau with the cooperation of other agencies. We were frankly surprised at the 8,000 jobs figure and the roughly $45 million loss of income because we were specifically looking at just how it impacted directly on tribal governments.

I told the committee I thought our shortfall could run as high as $16 million, but it has not materialized. What we have found is a number of those people were eligible for other types of unemployment compensation. What we are trying to do is to get from the field, as regularly as we can, what the latest estimates would be on impact. We are not sure exactly what we may be having to ask for in terms of additional funds for the shortfall that we are going to have in 1982.

We are estimating 1983 on the basis of an incomplete data base. So while the budget figure is there, it could run as high as $12 to $16 million. But certainly, within the request for the additional $8 million and the offsetting reduction of $4 million in Alaska, the figure is not bad for this time.

Senator COHEN. It is like putting a finger in the dike and saying: It was not as bad as it could have been because we have unemployment compensation to kind of relieve the burden. Now we know that is about to run out. Then we are going to have two holes in the dike at that point and two hands up. We are going to move from year to year, cycle to cycle.

We really have no data base to predict this. We are sort of having a roll of the dice here, are we not?

Mr. SAMPSEL. Not unlike other communities, sir. They have the same type of unemployment.

Senator COHEN. We have other different problems on Indian reservations because of isolation and remoteness. I will get into it in a few moments about the severity. For example, the housing problems. The fact that we have a dichotomy, I suppose, in our mind and we are not sure how we reconcile the desire to preserve a cultural tradition with a desire to improve one's economic standards and how do you reconcile the two conflicting desires on the part of the tribes, and move them into the mainstream of economic prosperity and still preserve a rich heritage? That is part of the dilemma we face.

We have a unique set of problems. We cannot say the rest of the economy is suffering, too. If you have a deep-seated economic problem and to say that everybody is suffering the same, that is not quite accurate.

Mr. SAMPSEL. I agree with what you have just said. I am not trying to imply the suffering of Indian tribes is anywhere at the same level as other people in the economic levels. What I am saying is, as to the budget figure, to get to the estimate of the additional needs, that we have not had this type of severity before. Nor have we had, at the same time the loss of a series of Federal programs that impacted the Bureau's budget without us having the ability to talk about it.

We would have argued, for example, as I think we have before this committee, that while there may have been the need to change the national employment picture for the Nation, that in the reduction of certain programs there was a great disparity between what impact a change would have on the non-Indian community compared to the Indian community.

In some cases, unemployment shot up gigantically, far beyond what we had any reason to anticipate. The entire impact of that, we have not had the ability to calculate.

Senator COHEN. I am not criticizing you or the department or anybody else for coming forward saying, we are going to have to change our way of doing business. We cannot afford it anymore across the board.

We are faced with staggering deficits. We have got to do something. We may have to relook at the existing programs and terminate some and modify others. And kind of change is going to be met with opposition.

Status quo stands to perpetuate itself unless you can overcome it with clear and convincing research. All I am suggesting is, as you come before the committee, for this member, at least, and we start making reductions, that we look and see exactly what are the realities of those cuts. If they are fair and if we can deal with them. If we can say administrative overhead, fine.

If we can not and if, in fact, you are going to—as Senator Melcher said, you have $16 million, and what will it cost to travel? Are you going to have additional travel costs? How does that impact? What is that as an offset so we do not have imaginary savings? Well, it may cost you more.

That is my own position. I am prepared to listen to what you have to say and how we are going to achieve this and, if necessary, support some of the reductions. I have to be satisfied that we are doing it in a reasonable fashion, not just picking a number and saying, "Do it," if, in fact, it can not be done.

I note on page 52 of the budget justification that the per unit cost of general assistance is noted from $79.21 per unit in fiscal 1981 and it drops to $75 a unit for 1982, and declines to $74.22 for fiscal 1983. What is the BIA formula for determining the amount of assistance to be given to a recipient? How do you come up with that continuing decline in the per unit cost?

Mr. SMITH. Our formula basically is based on what the State's formula is. Some States do not fund their welfare recipients to the full amount of the State's formula. The Bureau of Indian Affairs tries to meet the State standards. Each State is different.

Senator COHEN. On housing, on page 4 of the justification, it says that $23.3 million housing program for fiscal 1983 which is established by tribal priorities reflected a decrease of $6.5 million. As recently as 1980, the housing was described as the worst in the Nation by

the HUD reports. HUD proposed in fiscal 1982 to eliminate the housing program and Congress, you will recall, nonetheless funded some 4,000 new housing units.

In fiscal 1983, it appeared that HUD will again seek a zero funding for Indian housing and a rescission of the 4,000 units recommended by Congress the past year.

On page 60 of the BIA justification, it is stated there are 92,200 families in need of housing assistance; 32,000 houses are suitable for repair and 60,200 new houses are required.

Yet the funds sought by BIA for housing—well, there were 630 new homes and for the repair, that would be 3,580. It seems almost beyond belief that a reduction in the funding for the housing reflects a valid statement as to tribal priorities.

Mr. SMITH. Basically, most of this program is based upon what funding level the tribes have set in the "band analysis" or tribal priority setting process. This is only addressing the Bureau's HIP program, which is not the key program that is going to build the houses that are needed. We will continue to look to HUD for this.

But right now, I am chairman of a task force that is studying the concerns and solutions. We will be meeting this afternoon, and hopefully we can agree upon a recommendation that the administration will buy which we can propose to Congress.

We will be talking about that further this afternoon. This deals with, and it stresses the problems of, the lower sector where people just cannot afford to pay anything. I think we have to address each sector a little bit differently.

Senator COHEN. What plans does the administration have at this time for providing any kind of housing?

Mr. SMITH. We are still looking at HUD. There is a question of who should take the lead and to provide housing to the Indians. There has been some discussion whether it should be HUD or BIA. There are three different income layers that we have to address.

As you know, with trust property, you cannot mortgage. We may need some legislation and loan guarantees to address that problem because there are Indians on reservations who could afford $50 to $100,000 homes or whatever it might be, and some who cannot. But, they cannot borrow the money from the private sector because of the trust status of the land.

We feel there has to be some legislation to address this. That would deal with the top income layer. Then you have the bottom income layer that we are addressing right now with the HIP program. Then we have that middle income layer that needs some subsidy. They cannot afford the debt service, so it has to be subsidized.

This is what HUD was addressing. Now, with HUD not having any money in their budget, this is our big question. What are we going to do? We feel we have to come up with a solution. There are some proposals right now. Hopefully, we can talk about some of the proposals this afternoon and agree with them.

Senator COHEN. Let me repeat something you said. You have been studying programs over the years. They have been studied to death. Now we are going to take some action. You are saying we have got to have another study to find out what we are going to do.

Mr. SMITH. What I am saying is this committee started last fall. We have had only about three or four meetings. We have had a work-

ing group and we were supposed to come up with some answers. Hopefully, we will be able to come up with those answers in the next week or two so we can make those recommendations.

Senator COHEN. So you think this Congress would have an opportunity to consider those proposals as we appropriate this for fiscal 1983?

Mr. SMITH. Yes. We can not pull out of the picture because there is a need out there.

Senator COHEN. That is the same situation as last year, where the elimination of the CETA proposal came, and a clear prediction you would have an increase in unemployment; yet, there was no corresponding increase in the general assistance of BIA. So we are caught here, and you have the same problem here.

You say you have got to find the right agency to take the lead. Yet you cut it out and do not find the agency and then 2 years go by and nothing happens.

Senator Melcher.

Senator MELCHER. Mr. Secretary, the Montana Tribal Policy Board letter, which is dated February 25, states that all nine tribal chairmen of the Billings area met on February 1, 1982, to confirm their unanimous consensus in opposition to any plan to remove the Billings area office of the Bureau of Indian Affairs from Billings.

This consensus was reaffirmed after tribal leaders had been briefed about the bureau's plan on February 23, also of this year.

Tribal leaders expressed six of their concerns in the specific manner for the removal of the Billings area offices as outlined below. Now, No. 1 was the Northern Plains area; Billings and Aberdeen have not been considered fairly in the proposed plan.

The case in point is the fact that the two areas have under their jurisdiction over two-thirds of the total trust allotment in the United States: two-thirds of the total. For this reason alone, it hardly seems justifiable to consolidate these two important area offices when little significant consolidation is proposed throughout the rest of the areas and the country.

It would appear that these two areas are to be singled out to bear a disproportionate share of the Bureau's cost savings.

And No. 2: the Billings area is currently the focus of tremendous energy resource development. Tribes within the Billings area have over 1,200 producing oil and gas wells and coal production is approximately now 5 million tons per year with plans which would triple this production.

In fact, the Montana and Wyoming tribes constitute an increasingly significant energy resource area to actually reduce the total attention paid in this area as the plan suggests.

Well, that would appear questionable. No. 3 would be, the actual cost of savings strategy of creating a new area office in Rapid City, S. Dak., is unclear.

This is especially questionable in view of considerations such as moving costs, facilities available and the cost of transportation to and from Rapid City for both reservation-based and area-office based personnel.

No. 4 would be the realinement plan with the proposed Aberdeen and Billings consolidations, that will effectively reduce the accessibility of the BIA services to the Billings area tribes. This, along with the

reduction in consolidations in local BIA agency-level services that are soon to be proposed, will leave the tribes with the net loss of real service access.

No. 5 is the tribes will face greatly increased travel costs if they are required to deal with the Rapid City location. Conversely, field travel for Rapid City-based BIA personnel will increase in the same proportion with current and prospective travel restrictions.

This factor will likely result in even further reduction of services to the tribes.

No. 6 would be the regionalization of technical services poses serious impracticalities. For example, placement of water rights service in Albuquerque as proposed will create accessibility problems. But more important, the Northern Plains tribes point out that their water rights issues are quite different from southwest area issues.

They are concerned that service center placement outside the Billings area may result in a reduction in quality and consultation to technical services in this crucial area.

Now, although the November 13 OMB directive was known to the BIA and the Department of the Interior several months ago, it is clear that the consultation with the tribe had not been until this month. It is also clear that the consultation with this committee has only just begun.

Although the November 13—well, I think the response to that by you, Mr. Secretary, dated November 24, that it would seem apparent that the Office of Management and Budget has been looking at this and discussing it with you for several months.

Yet we are faced on this committee with a recommendation to send a budget committee within a matter of days on what the budget should be and to send it to determine this, that is. There is no indication whatsoever that the previous studies have been used. It is all right to say that we have studied this off and on for a period of time and there are some savings that can be made.

The fact remains there is little indication that the advantages of the previous study might provide background and second, there is an obvious lack of discussion with the tribes and with this committee on the subject about which you have been consulting with the Office of Management and Budget.

These are rather serious points. You have nine tribal chairmen involved in the Billings area office. Two-thirds of the allotments, for instance, of the entire country are involved in these two area offices of Aberdeen and Billings and they are to be dumped into one area office.

What is your response to that specific point?

Mr. SMITH. I think, Senator, that those are valid concerns. That is what we are looking for in our consultations; some response from the tribes to see how they feel about it. Hopefully, they will be making recommendations to address that particular problem.

We realize that most of the land allotments that we are responsible for are in the Plains area. That is one reason we are headquartering our real estate technical capability in that particular area, to deal with that issue. That is going to be one of their functions.

We do not have the luxury of having a lot of people as our staff resources in particular shops. We are not going to staff up every region or every area office with forestry, real estate, minerals, and fishing specialists because we do not have the luxury of having that many people.

We have got to zero in on one area, and make that a responsibility of that particular area where we can beef up that particular function.

Senator MELCHER. Now, wait a minute, Mr. Secretary.

Mr. SMITH. Yes?

Senator MELCHER. Are you not beefing up in the area of resource development?

Mr. SMITH. Yes, we are. We do not have the luxury to have the personnel ceiling or to have the money that we would like to have knowing that we have a lean budget. We have got to place the money where we think it is going to do the most good.

Senator MELCHER. The Secretary of Interior stated, a month ago, that he is accepting all of the recommendations of the Commission except one, which really has nothing to do, per se, with Indian tribes. But many of those recommendations have a lot of to do with oil and gas producing Indian tribes. These are on tribal land or allotted land.

Mr. SMITH. Yes.

Senator MELCHER. The Commission recommends considerable beefing up of this.

Mr. SMITH. It recommends 31 additional positions, I think.

Senator MELCHER. In what?

Mr. SMITH. In minerals, for BIA.

Senator MELCHER. For BIA?

Mr. SMITH. Yes.

Senator MELCHER. Where would the 31 positions be located?

Mr. SMITH. We are lacking in our Denver office which is our minerals office. That is where we decided to locate that. Additional professional staff in that office would be needed; staff such as inspectors would be needed in the field. Also, additional professional staff in some other areas. I do not know exactly what areas they were going to go in. I cannot give you an exact figure of the 31. We could supply you with this information.

Senator MELCHER. Are they to coordinate with the area office?

Mr. SMITH. Yes, sir.

Senator MELCHER. So rather than coordinate where the action is, they would coordinate where the action is not.

Mr. SMITH. The action is spread in Indian country in minerals. The action is in Denver, Colo., with all the big companies. That is where all the resource users are. We felt very strongly about placing our office there to provide the services for the other areas.

Senator MELCHER. What action are you talking about? Maybe we have a different idea what the word "action" is.

Are you talking about action of location of the offices and of energy companies?

Mr. SMITH. Yes.

Senator MELCHER. What about the action that I am speaking of, where or what occurs on the reservation lands, either tribally owned or other?

Mr. SMITH. We feel we can provide the necessary services in that area. We are doing a lot of this work by contract.

Senator MELCHER. How much will there be in the budget for consultants?

Mr. SMITH. I do not have the specific figures. In many cases, we do not have the expertise in-house to be able to provide some of the professional services that are needed.

Senator MELCHER. What consulting companies are you aware of which would provide professional services?

Mr. SMITH. We have one that is providing services to the energy tribes—it is the Counsel on Energy Resource Tribes. It is called CERT.

Senator MELCHER. What expertise do they have in accounting for royalty? The Commission is not talking about something vague. The Minerals Commission is talking about something very real. Are you talking about consultings or royalty accountings?

Mr. SMITH. No, I am not; I am talking about consultants in energy and minerals development and inventory.

Senator MELCHER. The Minerals Commission is talking about oil and gas accounting, royalty accounting.

Mr. SMITH. Yes, I understand that.

Senator MELCHER. Let us talk about the same thing.

Mr. SMITH. Yes, sir.

Senator MELCHER. What are you talking about in implementing the Minerals Commission report or recommendations on royalty accounting with consulting companies?

Mr. SMITH. We are not going to utilize consulting companies in that area unless it may be for utilizing professional firms to do our audits in certain places. I am not sure we have the manpower to look at this and actually do the audits that need to be done for some of the companies.

Senator MELCHER. You are talking about spending more money.

Mr. SAMPSEL. Let me say this, if I may.

Senator MELCHER. Just a moment. Where is this in the budget?

Mr. SAMPSEL. It is not reflected in the Bureau's budget. The report is in the stage where the Secretary has made a statement. I serve on a working team. We are talking about the implementation and legislation is necessary for certain types of implementation. There are a number of positions that have been suggested.

Some of those were suggested in the report. For example, in the management of the minerals area: the report said that our staff, in Denver, was not adequate and large enough at the professional technical level.

There were additional recommendations made for specific sites at which the Bureau has unique responsibility to do certain types of monitoring.

It is not, however, simply a single bureau responsibility for the monitoring of the oil and gas royalties as it relates to Indian lands. It is not exclusively that of the Bureau of Indian Affairs.

We are working very closely with the development of the new office which will be primarily a major responsibility of Geological Survey. Their new office has been set up. They are going through an extensive program of developing the accounting mechanisms as reported being needed in the report.

We are working very closely within the Department to see that that happens. They will be doing a piece of that job but not all of that job.

The Geological Survey has the total accounting responsibility. We work with them on that. They have a unique responsibility in certain areas. We have a management and technical professional respon-

sibility in others. What you have is a number of situations in which we work specifically in resource development. That ties to our responsibilities as to oil and gas royalties. But we do not have a simple management section that says, "This is just oil and gas royalty." We have it within our division of trust responsibility or a section on minerals and energy, and within that is the personnel and the staffing to implement the report.

Now, another point if I may. I think what you are saying is very important. The delivery of service at a regional technical service center developing from an agency or an area is getting us to the point of questioning the services that are to be delivered.

Now, if the system is working the way that it ought to be working, and if we are able to put the management structure together the way we want to, and that we believe that we can, then the majority of the services delivered to an individual tribe and individual members is at the agency and not the regional technical center. The regional level has budget responsibilities and oversight functioning and professional responsibilities; not program service functions.

You talk about putting all of the individual—well, about putting that vast acreage in the area that you are familiar with and concerned about. You are talking about putting the technical professional responsibility there. We are not talking about pulling the land guy out of the agency that has been dealing with the tribes and probably knows half of the allotments.

We are not talking about taking him away. We are talking about giving him a greater source of technical expertise by pooling the best area level talent we have. In energy, we are limited. We are going to have to continue to recruit the best talent that we can get. It is very hard for Government—for us to hire a petroleum engineer. We know that. We have the same problem with water.

Now, recognizing the distinction between the water issue relating to the Upper Missouri Basin in Montana, we still have our best technical team in Albuquerque. They are not going to move to Montana. There are six or eight of them down there that are very good: the best we have.

They are not uniformly spread throughout the country area. We do not have good water people in Portland, not because we do not want them. We have not been able to hire them and get them to go there. So, it made sense to us to get the best available expertise and place it within the area in which we have the greatest people and the best technical information.

A lot of the work that we are doing in relationship to water that affects Montana is the litigation before us. Some of those reports are compiled by outside consulting firms.

They are reviewed by our technical staff. Those are normally in relationship and coordination with the tribal attorney and the tribal council. We do not go out and independently hire some firm that the tribe does not want to do the work for them. It is too much of a personal issue. It relates to their trust and treaty.

But we do say that the work being done has to be reviewed professionally by a trustee to make sure they are getting the best possible work that they can to litigate and negotiate or establish through legislation.

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I am concerned that somehow we make it clear to the committee that our desire is to do as much of this work as possible at the lowest level within the line authority. We intend to take some of these offices that have been exercising a quasi line authority and make sure they are defined as staff to support the line management.

They respond to the needs of the tribal people based on our priority setting that the tribes will be in a position to help set. That is the goal. I really appreciate the concerns expressed by the tribal people and the letter. I do not think anything that they said is a direct criticism or a direct attack on the plan as much as it is saying, "We want to be able to go over these as specific answers."

Now, as I mentioned earlier, I just got back from Portland last night. When in Portland, I was meeting with some Montana people who had come over. Now, you have the Flathead Reservation; they have petitioned us to be a part of Portland because they feel that regional office would work closer with the issues of their major concerns.

They feel that is important because they are in the Columbia River drainage. I know that the Blackfeet and others have been looking and saying—well, they had a council meeting, I believe, yesterday. I do not know the results of it, but they are talking about where they thought they could best be serviced. Maybe it would not be in the location where it was because they are concerned about the development of their timber resources.

We are talking about the possibility of what those might be. All of the discussion that goes on is very healthy, I think.

Now, in Alaska, the Metlakatlas petitioned us, and we did a separate study on where they could get the best service. Their conclusion was, they would rather be serviced by Portland as opposed to Juneau, Alaska, based upon the fact of the Alaska Native Claims Settlement Act.

The act created a series of regional and village corporations. The Metlakatla Indians are reservation land-based and wished to be serviced by a service center that had more direct expertise and resource reservation land management.

So, while I am responding to the concerns expressed by the letter, I really believe that most of those can be handled during the next month with honest and frank consultation with the tribes. As the plan or concept is laid out, if it needs to be changed to better serve the Indian people, then there is nothing locked in concrete.

Senator MELCHER. I know there is nothing locked in concrete because it is obviously not only fluid, it is running all over the map as to whatever you are proposing here. It is hard to discern what you are proposing.

They might like to be connected with Portland if it was truly going to be an area office and the same functions are going to be carried out in Portland. We do not know what functions are going to be carried out in Portland; neither do they.

What they are expressing in their part of this letter is they do not think you know what you are doing.

Mr. SAMPSEL. They met yesterday with the regional staff, area director, myself, and the staff members of that agency. Perhaps when they sit down in their individual tribal counsel room, they will have a better feeling for that.

Senator MELCHER. Whenever the Blackfeet express some interest in timber development, I wonder where they will get the timber. I will tell you what the Blackfeet are interested in. They are interested in a couple of things.

They are interested in whether or not they are going to have any help out of the Department of Interior on oil and gas or whether there is any actual strides made in royalty accounting. They do happen to have quite a few of those—1,600 wells that were mentioned in that letter; and Denver, well, it is unclear to me what you are talking about in Denver to carry out the Commission report as far as that portion that deals with Indian oil and gas.

It will be very difficult for them, I think, to pass judgment on what you are talking about at this stage as it is very difficult for anyone to determine what the Secretary means when he says he is going to accept all of the 60-odd Commission recommendations except for one.

Until we see what he actually proposes, we do not know. The trust responsibility on royalty accounting, that is pretty clear, I believe. As to what is being proposed about doing that, that will be unfolded, I guess, in the next several weeks. Since it means a little more accurate accounting than the Secretary continues to stress, and the Commission indicates it involves quite a few millions of dollars in accurate accounting as to the payment of the royalties, et cetera, we are not talking about $15.5 or $16 million in savings. We are talking about a rather large quantity of money that will result from better accounting.

So we cannnot really judge anything that your reorganization might do along that line in terms of savings. After all, the $15.5 or $16 million in savings that you are talking about is spread out through all the Indian country and all of the tribes involved, including the eastern tribes.

It is obvious that the tribes that are now involved with the Billings' area office are going—well, they are not only skeptical, but a very long ways from being convinced that anything you recommend would actually result in a savings at all.

I think what the letter indicates is that there are probably not going to be any savings. There will be additional cost, part of which they are going to have to bear themselves.

The point should not be missed that the circumstances that affect Indian tribes in the Southwest, and their water problems are entirely different than the Upper Plain States Indian tribes, the Montana tribes, while they might want to coordinate what they want to do as to water with the Bureau of Reclamation. Now, what opportunity they have working through Albuquerque back to the Bureau of Reclamation in Billings is really very unclear to me, or if there could be any savings at all.

I think it sounds like additional costs rather than savings.

Mr. SAMPSEL. I do not believe at the present time that you would have what would technically be considered any water staff in the Billings' area office that would be considered expert in terms of a witness or technical review of outside proposals.

We do use and coordinate currently with the Bureau of Reclamation. That is not going to change. We are going to try to provide the best technical review and expertise available to the tribes based upon the issue, and the water claims that they have.

We happen to have an office which has our best expertise in Albuquerque. Particularly in the case of Wind River, they were the ones who did the technical proposal review on that particular litigation. They also have done work relative to some of the hydrological studies and the inventorying that has been taking place on Indian water resources over the past few years.

There is not a single water expert in the Portland area. You are absolutely correct. The situation in the Southwest which has a great deal of water shortage compared to the situation in the Northwest and Montana where there is still a great possibility to be able to negotiate the settlement as opposed to litigating the settlement. They are totally different. But, they do not require totally different technical and professional capacities.

What we are trying to do with the situation is not make it more difficult but make it more professional.

Senator MELCHER. You talked about experts in Albuquerque. I do not believe you can do that with six water experts in Albuquerque.

Mr. SAMPSEL. I do not believe you can either. I think you can do it better there than one in Rapid City or one in Portland or one scattered out across the country. We have to use the resources we have the best way we can. We will attack this problem in the best way that we know how and provide the best assistance that we can.

Those issues are not associated with location. You could probably say, why could you not have the water office in Rapid City. You could. I think a national office to do the type of professional oversight and review necessary on some of the major trusts and resource issues can be located in a number of places. There is no magic about Denver for the energy office. There is no magic about it. It just happens to be there now, and it was the logical place to enlarge it as opposed to move and to change.

If the tribes come and say: We don't want the energy and minerals office in Denver. We would rather have that service provided out of another location.

If it is consistent with what we believe to be our trust, there is no magic about where we put our people in terms of the management of this Bureau.

The $16 million is coming out of overhead and administration, not direct programmatic dollars.

It does not seem like much of a figure when you put it against $1 billion. It is a 505 position reduction in the area offices and the central offices. That does come up to a substantial decrease in administrative overhead which the tribes have said they wanted to have happen.

I realize it is vague. But, as you go through this give and take process with the tribal governments, I think it is going to come down to a position in which they are going to be satisfied that the administrative cost was reduced and that they got their best chance for improved service.

Senator MELCHER. How would they know or would this committee know when you do not have a plan to demonstrate this?

Mr. FRITZ. That is what we are attempting to develop in a hand-and-hand operation with the tribes. It is time that we, as the Federal Government, recognized our responsibility to them. It is time that we recognize that they have an input in the services that we give them. We are giving them that opportunity.

Senator MELCHER. You are talking about this program, and we are going to talk about water in the Upper Plains States and the mineral development in the Upper Plains States; also royalty accounting in the Upper Plains States.

Mr. FRITZ. Yes.

Senator MELCHER. We are not going to be talking about less money. You are going to be talking about more money. It is that simple.

You cannot have what you have been describing in those three areas without more money. What are you talking about is being able to deliver and spend more money in those three areas, to solve some of these problems by having a farther away liaison or coordination.

Now the Commission is not talking about spending less money. It is talking about better royalty accounting. It will cost more, but it will be cost effective because it will get the money paid more accurately and get it paid more promptly which means more savings because a prompt payment of royalty—we are talking about water litigation and water settlement. We are talking about probably spending more money to provide this. We are talking about coal development and trust responsibilities involved in it.

We are probably not spending less money but more money. In the long run, we will get more energy that will be cost effective. This is not only for the tribes involved, but for the trust responsibility for the Secretary.

Mr. SAMPSEL. I concur. I think that is reflected in the budget.

Senator MELCHER. I have not seen it yet. All of these reports that have been looked at previous to the unknown report that you are drafting does not really go to the point of how much each slot is and how much each cost is in an area office.

It goes more to the point of whether the service is good or whether the trust responsibility is carried out in some of these areas which are expanding, and I repeat, oil and gas development, most of which is in the northern plains, that this occurs at Wind River and I think also at Fort Berthold and we do not know about the others. Maybe Northern Cheyenne, but that is where it is, and to remove the coordination farther away does not fit too well. But nevertheless, we will review whatever you have.

We will look as to what will happen fairly soon. Possibly we can get on other reservations in Montana when we get to the water settlements. A case in point is the proposition of the Northern Cheyenne, that they are so far backing and they have cooperation with the Bureau of Reclamation in Montana.

The coordination of that, regardless of where you draw the experts from, is an ongoing problem that they feel is best served through the Billings area office as is.

I am not talking about the expertise of a few individuals that BIA might have available. I am talking about the nuts and bolts of having had an agreement.

Now, Mr. Secretary, the Institute of American Indian Art program, which is under a contract with a Santa Fe college, is still housed on the former IAA campus which is now used for a high school.

Mr. SMITH. Yes.

Senator MELCHER. I have been there two or three times, and I have been to the museum. It is a repository, a collection point of a great amount of unique Indian art.

Mr. SMITH. Yes.

Mr. FRITZ. Yes.

Senator MELCHER. On the campus recently, the superintendent of the Santa Fe Indian school ordered a mural to be painted over. Apparently the superintendent did that without authorization, without either talking to or asking authorization or receiving authorization from the BIA.

Obviously, the work of art, I suppose, is gone forever. Was it not required that prior approval would be had before painting over such a mural? That is, prior approval of the BIA?

Mr. SMITH. It should have been, Senator, but there is some vague communication exactly as to where they got the authority and who directed it.

The last I heard is that they painted right over it. Now, Mr. Fritz is going out there the first of the week. He is going to get into it to see what the true story is and try to get it straightened out.

Senator MELCHER. Is not this the second occurrence? Was there not an occurrence last year similar to this?

Mr. SMITH. I am not aware of the one last year.

Senator MELCHER. You are not?

Mr. SMITH. No.

Senator MELCHER. Did not the Zuni's object to the destruction of the Zuni-inspired mural at the Indian Cultural Center in Albuquerque last year?

Mr. SAMPSEL. The answer to your question is, yes, they did. I remember the incident, but I do not remember the details. I remember reading about it.

Senator MELCHER. Have you taken any action to insure against further destruction of art in the museum at Santa Fe?

Mr. SAMPSEL. As indicated in the correspondence on the issue, we are waiting for the area director who is working with the folks down there to make a final recommendation. Some of the information has been a little vague at this time. We have two conflicting reports on whether or not the mural can be restored. One said yes; the other said they are not so sure. That is part of what John will be trying to find out when he is down there.

An agreement is being worked out now with the area director. This is to assure this type of thing does not take place again.

There has been a great deal of controversy between the individual Pueblos and about some of the art and what it ought to be. Frankly, that is something that requires management review. I am sure my colleague, the Deputy for Operations, would be willing and able to report fully to the committee on the course of action necessary to be taken.

Senator MELCHER. Are you not closing SIPI in Albuquerque?

Mr. SAMPSEL. Yes, we are. It is proposed to be closed.

Senator MELCHER. We talked about this 1 year ago.

Mr. SMITH. The Institute of American Art, as I understand it—well, they usually came up year after year, and they talked about it being located in Santa Fe.

Senator MELCHER. We talked, as I recall, a year ago, about the huge collection of Indian art located at the museum in Santa Fe.

Mr. SMITH. Yes.

Senator MELCHER. It was not being properly taken care of. It was too crowded. Part of it was in the basement. A fire could destroy hundreds of thousands of items of the collection of Indian art.

We talked about whether or not that was going to be left there. Has it been moved?

Mr. SMITH. No, I do not think it has. I think it is in the same area.

When John goes down there, and I plan to take another trip down there later to take a good look at what we are going to do with that particular museum. We have got to take a good look at it; recommend some solutions and move in that direction.

Senator MELCHER. After all, we have been wondering about this and expressing this concern about trying to maintain—well, all this really is is storage. It is the storing of hundreds of pieces of Indian art that cannot be displayed because there is not room in the museum. It is what has been described for the last several years by people there as being totally inadequate.

Mr. SMITH. It really was not brought to my attention that we had a problem there as to the storage of the art work.

Senator MELCHER. I ask this in conjunction with the closing of the SIPI. It has a lot of rather new buildings. I do not think any of them are over 15 years old.

I think it was built sometime in the sixties, the midsixties or the latter sixties. I think it was completed in 1972. That is the new building.

It is a rather spacious building. Obviously, you are recommending closing it because you do not think it is properly utilized.

Mr. SMITH. We recommended that we get out of the school business. We have not recommended closing the facility because it could be used for other things that we do have in the Albuquerque area. We will make use of that particular building.

Senator MELCHER. We would like to be informed of this when Mr. Fritz gets back as to what the recommendations are.

Mr. FRITZ. Yes.

Senator MELCHER. Thank you, gentlemen, Mr. Smith, your prepared statement will be included in the record at this point.

[The statement follows. Testimony resumes on p. 45.]

Statement of Kenneth L. Smith
Assistant Secretary of the Interior for Indian Affairs
Before the Senate Select Committee on Indian Affairs
on the FY 1983 Budget Request

February 26, 1982

Dear Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss with you and your committee the 1983 budget request for the Bureau of Indian Affairs. I feel that during my first year as Assistant Secretary we have made some accomplishments. We are establishing useful plans for the well being of the American Indians as they seek to strengthen tribal capacity for self-determination and self-government. We have addressed the directions pointed by Indian leadership and by Congressional oversight in a continuing effort at overall management improvements in order to provide better services to Indian tribes, Alaska Native groups, and their people.

We are requesting for fiscal year 1983 Budget Authority in the amount of $1,570,235,000. This amount is made up of $969,035,000 in Federal appropriations and $601,200,000 in permanent and trust funds. The request for appropriated Federal funds reflects a net increase of $26 million over the amount appropriated for 1982. The operating programs show a net increase of $47 million, a net decrease of $17.4 million in construction, and a net decrease of $3.6 million in Road Construction. Not included in the above figures is $29.8 million to cover the proposed legislation of the Ak-Chin Irrigation Project in Arizona, and a net decrease of $28.6 million for the programs proposed to be transferred from the Department of Education.

Management Staff

Before I get into details of Bureau programs, I would like to introduce my top management staff. I am operating with two deputies: Roy Sampsel is my Deputy for Policy and John Fritz is my Deputy for Operations. We are not filling the position which has been known as the Commissioner. All the duties and responsibilities of that office are to be handled by the Deputy for Operations.

Realignment of the Bureau

We have just recently announced a major realignment of the Bureau of Indian Affairs. The proposal will reduce the administrative overhead costs by $16 million in 1983, but, most important, the structure will provide the Bureau with more effective and efficient management, for today and for the future.

The proposal realigns the present 12 Area Offices into six regional technical assistance centers, streamlines the Bureau's education office, and reduces Central Office staffing. The six regional centers will be located at Albuquerque, New Mexico; Minneapolis, Minnesota; Oklahoma City, Oklahoma; Phoenix, Arizona; Portland, Oregon, and Rapid City, South Dakota. Regional Education Offices will be located at Minneapolis, Oklahoma City, Phoenix and Portland. There will also be an Alaska Native Support Center at Juneau to serve the Alaska Natives and a Navajo Nation Service Center at Window Rock, Arizona.

The Regional offices will have some different functions. From a manager's standpoint it does not make good sense to have our technical experts scattered across the country in every regional or area office. Our new concept is to give certain regional offices lead roles in certain specialties, i.e. forestry management; mineral development; and so on. We feel this is one way to enable the Bureau to give better services to the tribes.

We plan to have the realignment completed by the end of FY 1983, along with adjustments at Central and Area offices level. With its completion, I feel we will have streamlined the regional level about as much as possible. It is not managerially efficient to have no middle level of management. The span of control is too wide in terms of geography and numbers of people reporting to have all 83 agencies along with other locations reporting to the Central Office. I feel the six regional centers will give us the appropriate, efficient middle level management.

BIA School in Alaska

We are negotiating with the State of Alaska for the early transfer of the remaining 37 BIA operated schools. The State Constitution requires that the State provide an education to all. The State of Alaska, will, in time, provide education programs to the Native children currently enrolled in Bureau day schools through their 21 regional education areas. The cost to us of day school operations in Alaska was $13.8 million in 1981 and is estimated to cost approximately $12.5 million in 1982.

Off-Reservation Boarding Schools

Back in the lower 48, at the end of the 1981-1982 school year the Off Reservation Boarding schools at Concho, Oklahoma and Wahpeton, North Dakota are targeted for closing. Closure of these two schools will be the last two remaining elementary off-reservation boarding schools operated by the Bureau. There are eight such high schools remaining. Decisions to close any school are based upon the closeness to the population it serves and availability of alternative education services for that population. This is in keeping with the Bureau policy of keeping students close to home. The condition of the facility, plus the cost to bring the academic and dormitory facilities to full operating capacity is another factor. The two schools we are closing cost over $3 million per year to operate. Of course, full savings of that amount will not be realized since those students will have to be provided education at other locations.

For other off reservation boarding schools, our plans are to close both the Intermountain school in Utah and the Mt. Edgecumbe school in Alaska at the end of the 1982-1983 school years. The operating cost of these two schools totals over $12 million per year.

Southwestern Indian Polytechnical Institute

The Southwestern Indian Polytechnical Institute located in Albuquerque, New Mexico is to be closed at the end of the 1981-1982 school year. A savings of over $2.5 million dollars per year in school operation cost is anticipated No savings is projected for facilities operations as it is a sound ultra-modern facility and can accommodate other Bureau program needs.

Economic Development Initiative

The budget request for 1983 includes $10 million for implementation of an Economic Development Initiative. The objective of this initiative is to assist tribal governments to generate individual and tribal income and employment on reservations. This will be pursued with several operating objectives: (1) To improve Indian access to private capital; (2) encourage the development of natural resources; (3) promote tribal control over resource management and economic development decisions; (4) raise the level of employment and management skills among tribal members; and (5) help overcome the financial problem which arises from the inability to secure a private loan with trust resources.

We believe this is in keeping with the wishes of Congressional appropriation committees who for years have urged the BIA to develop economic initiatives which would address the problems of excessive tribal dependence on Federal funding.

Small Tribes Initiative

Also included in our budget request is a $5 million initiative for assistance to small tribes to acquire and maintain core-management capability to improve their opportunity to operate tribal and federal programs more effectively. To demonstrate a commitment participants must agree to (1) prepare a tribal management program with specific, measurable objectives, (2) staff the program with competent personnel on a merit basis, (3) exclude tribal political officers from program positions, and (4) understand that non-performance is cause for cancellation of the grant.

Core management support will be provided initially to approximately 80 small tribes (population 400 to 1,500) under grants averaging $47,500; and to 15 consortia of small tribes (population less than 400), average grant $80,000.

I think the most important factor in bringing about economic development on a reservation is a strong, stable tribal government. It is the absolute, most basic, essential. There must be stability and continuous tribal direction so that long-term goals can be achieved. There must be strong leadership to initiate and maintain responsibility and accountability. I am committed to these efforts.

Impact of Comprehensive Education Training Act (CETA) on Unemployment

The Welfare Assistance Grant and Employment Assistance program will be adversely impacted because of the reductions in the CETA program. A recent study indicated there were over 8,000 Tribal jobs costing almost $45 million funded under CETA. The current estimate of the on-reservation labor force is 246,000 with an unemployment rate of 33%. Adding the 8,000 CETA workers to the unemployed will raise the rate by three percentage points. This does not include any effect on non-CETA jobs in local business. It is estimated in FY 1982 the impact on Welfare case load due to the former CETA workers and their families could increase from 12-18,000. We also expect to have an increase in applications for services under the Employment Assistance programs by approximately 4,000. We think as our Economic Development and Small Tribes initiatives gains momentum, positive impact on employment on reservations should be realized.

Consolidated Tribal Government Programs (CTGP)

In accord with Administration policy and Congressional approval, we have initiated a prototype block-funding project for FY 1982 intended to provide tribes greater self-determination in the operation of Indian programs.

This program began as a part of the Administration's budget initiative for FY 1982 when the Bureau proposed a consolidation of ten program functions into a new activity entitled Consolidated Tribal Governmental Programs (CTGP). The proposal was based on giving each tribe the option of selecting, within a certain number of programs, the funding amounts and types of programs the tribe would operate during the budget year. Consolidated funds would then be distributed to tribes based on individual tribal decisions.

During its budget review, Congress suggested further study of the CTGP concept but gave us approval to conduct a pilot project in twelve Bureau locations. Consequently, the Bureau completed a detailed review of the CTGP concept and conducted initial consultation with tribes on the basic concept. Within this framework, the Bureau has initiated action to implement a CTGP prototype project this fiscal year. This Administration initiative is intended to gain support from participating tribes so that the prototype effort may be extended to additional tribes in FY 1983.

Consultation

My view of consultation is that we ask for and seriously consider the views of Indian Tribal Leaders before we make final decisions on important policy matters affecting the Indian community.

It does not mean that we ask permission to make a decision and thus abdicate or delay our management responsibility.

It would, however, be clearly inconsistent with my strong belief in Indian self-determination to fail to recognize the value and need of an effective consultation process. We need, and want, the recommendations and suggestions of Indian tribal leaders continously in matters of policy affecting them.

We are using and intend to continue to use our field offices more and more as a principal means of communicating and consulting with the Indian leaders on the reservations. We think an informal consultation process can be as effective and useful as a more formal process -- though we use both. Sometimes the urgency of making a decison prohibits the use of any extensive, formal consultation process.

We are trying to keep the Indian tribal leaders and the Indian community well informed and knowledgeable about what we are doing. We plan to do better. We are going to continue to do things openly -- so that Indian leaders can see and know and comment.

Trust Responsibilities

With regard to the trust responsibility policy of this Administration, we are totally supportive of the strong advocacy of the tribes' trust assets and resources of which the United States holds the legal title for the benefit of the tribes. We will maintain our support for such trust assets and resources with full consultation with the tribal leadership.

Accomplishments

Since I am just rounding out my first years as Assistant Secretary for Indian Affairs, I view my statement today as an opportunity for a kind of Annual Report. We feel we have accomplished some things and have others in the making which we have not mentioned above. Some of the accomplishments which I would like to highlight are:

- Tribes and the BIA operated 20 fish hatcheries which released 40 million salmon and trout fry to supplement the total fishery resource where both the Indian and non-Indian economy is dependent upon commercial and sport fisheries.

- Participated in development of the Michigan treaty Indian fishing pilot project. This involved assisting three tribes (Sault Ste. Marie, Grand Traverse, Bay Mills) in improving their commercial fishing efforts, exploring new catch methods, and working cooperatively with the State of Michigan on regulations, etc.

- The 21 treaty fishing tribes of Western Washington fulfilled their obligations and responsibilities, as decreed by the Federal Court, in the management of treaty salmon, steelhead, and herring fisheries. These tribes directly conducted management and enhancement activities of 45 stream systems and regulated the fishing activities of over 1500 treaty fishers.

- Thirty tribes across the country developed or increased their capability to responsibly enforce their laws and regulations against their own members and on the lands and water within their jurisdiction.

- In 1981, the Bureau purchased 161,290 acres of land for the Passamaquoddy and Penobscot Tribes of the State of Maine. The price was $33,911,647.

- Forty-seven water inventories and water development planning studies on 32 reservations we completed. These are studies designed to prepare tribes for development of their water resources and for negotiated settlements of their water rights.

- We developed and implemented plans for recovery of delinquent non-Indian construction debt on Indian irrigation projects.

- Established and maintained a Bureau-wide schedule for completing research and filings of claims under the Statute of Limitations program by December 31, 1982.

- Performed forest inventories on 8 reservations with a commercial forest base of 560,657 acres.

- Provided funds to the Alaska Native Foundation for Village Management Assistance in Western Alaska. The project, in two target areas with 25 Alaska Native Claims Settlement Act village corporations, furnishes training and technical assistance in business, finance, and land management which will lead them to being self-sufficient and economically self-supporting. The management systems developed can serve as models that could be adopted by other corporations in other areas of the State of Alaska.

- The Juneau, Portland, Sacramento, Billings and Aberdeen Areas were involved in meetings concerning the Alaska gas pipeline project which involved discussions on what contracts and sub-contracts would be available for Indian contractors to bid on and what kinds of jobs would be available for Indians. As soon as the gas pipeline project gets started, the Juneau Area will be ready to participate because of their experience in the oil pipe line project. The other areas are making plans to participate by placing qualified Indians on those jobs that will be available. The United Tribes Educational Technical Center, Bismarck, N. D., will assist by providing training to those welders who need to upgrade their skills.

- Two staff genealogists were certified by the National Board of Certification of Genealogists as American Indian Lineage Specialists, the first two such certifications in the country.

- The Social Services ADP System is now operating in full or part in all areas except Juneau, Sacramento and Navajo. Eighty-three (83) terminals are now "on-line" and are generating grant assistance checks, statistical and financial data, and related social services administration management information.

- Instigated a concerted program effort to ensure that a complete physical inventory of personal property is accomplished each year at each BIA location. These inventories are compared to a general ledger control account and any differences are reconciled or adjusted, Boards of Survey actions are completed, and certification is required by the Area Director in writing to the Central Office.

- As mandated in Public Law 95-561, all BIA and Tribal Schools are functioning under the direction of local school boards. These school boards are establishing the local policies and the financial priorities to be used in operating their local schools.

- The Bureau has expanded and improved its provision of educational services to handicapped Indian children by screening over 8,500 students and finding appropriate placements or services for more than 5,000 children. Programs for handicapped children such as speech therapy, instructional services, occupational therapy, physical therapy, psychological and diagnostician services have been started and are being implemented in the BIA school system.

- The Bureau has encouraged Tribal contracting for the Higher Education program under Public Law 93-638. More than 60 tribes will be contracting for this program during FY 1982.

- A Master Labor Agreement covering approximately 10,000 Bureau employees nation-wide has been negotiated by the Bureau. This Agreement replaces approximately 60 local agreements and 25 supplemental agreements. The most noteworthy feature was that the BIA was able to get the union to agree to a limit on official time for bargaining. We are the only agency in the entire Federal sector that has accomplished this feat. The result has been that our negotiations cost approximately $60,000 where similar negotiations in the federal agencies had cost over a million dollars. Perhaps most importantly, we have demonstrated a method of reaching bilateral agreement through voluntary action of the parties at interest.

Shortfalls

Of course, accomplishments are accompanied by short falls. We have not done every thing right and we won't deny we have made some errors: We have not met all our deadlines and our mandates. We are still trying to get our regulations on education standards approved and printed, and develop national criteria for BIA dormitories. We are still attempting to computerize our Revolving Loan Fund. Since this is a requirement of the debt collection project, we have set September 30, 1982 as the deadline for this computerization. There are some water rights and Trust issues that have not gone the way we would like for them to go. Nevertheless, I feel we have made progress and the plans we have developed or are developing will be accomplished to the betterment of the American Indians.

Management Methods

One of my basic management methods of getting things done is by setting goals and then determining the steps to be taken to achieve them. People know what they are supposed to do and how much time they have. The manager works with his staff to keep the steps on schedule; the result is inevitable. Things get done and goals are reached.

Some of the goals I have set for myself and for the BIA are:

- As trustee, to provide for the protection and improved management of American Indian natural resources.

- To help create greater opportunity for tribes to develop their reservation economies.

- To encourage and support the strengthening of tribal government structures and tribal management capacities.

- To improve education and social programs on reservations by giving the tribes greater authority in the managerial process, and

- To make the BIA a more effective service organization through the use of sound management concepts and practices.

Beliefs and Philosophy

At my confirmation hearings, I told members of the Committee some of my beliefs and my philosohpy about Indian people and Indian self-determinations. I would like to address these same statements to you:

- I believe in the strengths of Indian people which have enabled them to endure -- through times of adversity and oppression unparalleled in history. (I am sure that you believe in that strength too. The Indian people are strong! They can and they will meet the challenges of the present time.)

- I believe Indian people have the will and the ability to govern themselves, and exercise wisely their sovereign powers within the framework of the Federal-Tribal relationship.

- I believe that the fulfillment of the hopes and aspirations of Indian people and their tribal governments must come from within -- from their own will and determination.

- I believe Indian people and their tribal governments -- not the Federal Government -- have the prime responsibility for improvement of their social and economic growth and development.

- I believe the proper role of the Bureau of Indian Affairs and other Federal Agencies, is to encourage and foster an atmosphere that will enable tribal government to move toward less dependency on the Federal Government.

- I believe the goal of moving tribes away from dependence on the Federal Government is in complete accord with the existing government-to-government relationship and does not in any manner diminish or alter the Federal trust responsibility.

- And finally, I believe the government and trust relationships will be more meaningful when tribal governments are strong and stable and less dependent on Federal funds.

Mr. Chairman, may I thank you and your committee for what you have done for the American Indians and the guidance you have provided and will continue to offer in the future.

My staff and I are available for any questions or discussions you may desire.

Thank you.

Senator MELCHER [presiding]. Now, Dr. Everett Rhoades, Director of Indian Health Service, Department of Health and Human Services, will testify next.

You are accompanied by Dr. Joseph Exendine, Deputy Director, Indian Health Service. Is there anyone else?

Dr. RHOADES. No, we have a staff here, but Dr. Exendine and I will answer the questions.

Senator MELCHER. Doctor, we are going to submit your statement for the record in its entirety following your oral testimony. We will get into the questions later. You may summarize it.

TESTIMONY OF DR. EVERETT R. RHOADES, DIRECTOR, INDIAN HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES; ACCOMPANIED BY DR. JOSEPH EXENDINE, DEPUTY DIRECTOR, INDIAN HEALTH SERVICE; AND ROGER GAUDREAU, INDIAN HEALTH SERVICE

Dr. RHOADES. I would like to respectfully request, and I believe it is in the best interest of the committee operations if Dr. Exendine responds most directly to the questions since he obviously is familiar with the program and I am not.

Senator MELCHER. That is fine. Last month it came to my attention that the Indian Health Service was about to cancel all current contracts with health care providers and establish new contracts on a competitive basis or bid basis. I am very concerned about the affect this would have on the smaller hospitals which may not be able to meet the low bids of larger hospitals.

Should this policy be implemented, then it is likely to result in the closing of many small hospitals. That would really mean that the patients would be forced to travel greater distances to receive medical care.

I do not know if that would really be the case, but I come principally to this point. If an Indian family or an Indian individual thought that health care was at a certain point and he or she was familiar with where that is, then I am concerned that if these were to be bid, that we might find that the individual Indian patient or the individual member or a great number of the Indian families would find themselves, all of a sudden, going to different hospitals that might be a great more distance than those to which they presently go.

We are not talking about 5 or 10 miles. It could be as much as 60 miles or 100 miles or farther. That really is very destructive from a standpoint of the patient and the standpoint of the patient's family and their friends.

I think all of us believe that hospital care partly depends on the attitude and the morale of the patient. Now, after I heard about this, I expressed my concerns in a letter to you, Dr. Exendine, which I think was about January 28, and also to John Kelso, acting administrator of the Health Services Administration.

I received a response on February 12 from Mr. Kelso which I would like to read into the record at this point. He acknowledges the letter of January 28 of Dr. Exendine and himself concerning the competitive bidding that might impact on the Indian health service and the health care providers.

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The policy which you referred to was issued by this agency—

And that is the Department of Health and Human Services or Health Services Administration—

on December 28, 1981, to all of its contracting officers. We appreciate the concern expressed in your letter and would like to clarify the matter. In no sense did we direct or advise that any current contract should be either canceled or modified as a result of the issuance of this policy.

As you will note in the cover letter, the policy is to be fully implemented for fiscal year 1983. There is no reference to a March 1, 1982, effective date. With reference to the possible impact on small hospitals and while we wish to take advantage of savings which can occur, that is accrue to the effects of competitive forces, I can state that our policy of seeking competition is not intended to place any provider in a disadvantageous position. The award of contracts for hospital services is based not solely on price but a combination of program requirements including such factors as accessibility to the population at risk.

Considering travel time and transportation availability, the type of health care services required, ranging from primary to tertiary care availability of professional health care providers and resources available in terms of the estimated requirements. In consideration of the above factors, provision is made for multiple contracts within an area where the requirements of the program were not or for specialized medical services require.

We will be pleased to discuss the matter with you, and upon implementation of the new policy as it applies to hospitals, that is until the committee has had an opportunity to consider the matter.

It is signed by the acting administrator.

Now, that response is a type of response that we hope for. We do want to consider this very carefully. Now, in Mr. Kelso's letter, he stated:

In no sense did we direct or advise that any current contracts should be either canceled or modified as a result of this issuance of this policy.

Why, then, did Mr. Zitur of the Billings' office begin notifying tribes and hospital administrators in January that current contracts had to be canceled and renegotiated on a competitive bid basis by March 1?

Dr. EXENDINE. Let me say first that the Indian Health Service does share your concern, very much so. And to follow up on what you have read and what you have mentioned, first of all, the headquarters central office of the Indian Health Service did not get notification of this being sent out. As a result, the Billings area office did mail out letters on advice from higher ups. We did not have the opportunity to respond to it or to appeal it.

Through your efforts, it was brought to our attention. We have had to discuss it, to appeal it to show the magnitude of what would happen if it was put in place, particularly some tribal people may have to travel 1 to 200 miles.

After some lengthy discussions, I am happy to say that we have been told that the implementation of this was going to be considered or reconsidered after these hearings, and would not be put in effect until after October 1.

This will be in fiscal year 1983. There are provisions in the regulations that permit a physician to use discretion in awarding contracts to private vendors.

Senator MELCHER. There were a number of things that the HHS director of contracts cited, in a memo to IHS, that concern us. One was that the policies and procedures contained in the POI are proscribed for your immediate guidance and should be fully implemented

by the onset of the fiscal year 1983 procurement cycle for medical services requirements. What was he talking about in this as to your "immediate guidance"? What did he mean by proscribed for your immediate guidance?

Dr. EXENDINE. I would have to assume they were going to start negotiating or processing any contracts that possibly may come up between now and the end of the year. I do not think there are any intentions for it to be in effect as of March 1. I think perhaps that might have been misinterpreted.

Senator MELCHER. Well, it said it should be fully implemented by the onset of the fiscal year 1983 procurement cycle for medical services requirements.

Dr. EXENDINE. Yes.

Senator MELCHER. Was that to mean that it was mandatory?

Dr. EXENDINE. Yes, mandatory. It is an older policy that has recently been reimplemented. I am hoping they will very definitely reconsider the situation. As you are well aware of this affecting Indian people in remote areas, we are in the process and hope to convince the administration of the impact of that type of decision. It is a policy decision that was to be implemented.

Senator MELCHER. Is Mr. Gaudreau here?

Dr. EXENDINE. Yes.

Senator MELCHER. Could he approach the table? Do you feel this policy would be mandatory?

Mr. GAUDREAU. Yes, it was intended to be.

Senator MELCHER. What are we supposed to be thinking about here on this committee: that it is going to be mandatory?

Mr. GAUDREAU. Well, Dr. Exendine had just indicated he would request some reconsideration, and we would have to entertain that. But at this point in time, we are acting on a mandate.

I might add that this thing is being addressed as a new policy, when it really is an emphasis on a policy that has existed for some time. It is very clearly stated in 41–CFR that it is policy to compete wherever it is practicable to do so.

Senator MELCHER. When was it a mandatory policy within the Indian Health Service?

Mr. GAUDREAU. The Federal Procurement Regulations applied to the Indian health policy since their inception, I believe, sir. I have never been advised differently.

Senator MELCHER. You mean it is mandatory that a hospital would submit a bid for Indian health service that it be mandatory—the Indian Health Service would use them as the provider?

Let me say this to my old city. It is about 160 or 170 miles. Would the Miles City Hospital bid or provide a lower rate for a tribe? Or, do you think it is mandatory?

Mr. GAUDREAU. The regulation, sir, provides for sufficient flexibility for the delivery of the health services to the people being served in the locality that you are referring to. If to do otherwise will complicate their getting to a hospital, there is sufficient flexibility to make an award to the local hospital.

Senator MELCHER. What is mandatory about that?

Mr. GAUDREAU. Only that part of it which indicates that we have to seek competition and give all, that are interested in performing our

contracts for health services, an opportunity to bid. Then we have to apply reason, logic, discretion, and judgment in reaching our conclusion as to where the award should be made.

Senator MELCHER. Why are we providing Indian health service? Why is there a Federal obligation to provide Indian health service?

Mr. GAUDREAU. I do not know how to respond to that, sir.

Senator MELCHER. Could Dr. Exendine respond?

Dr. EXENDINE. I think it is the Snyder Act that specifies we have to provide this health care to the Indians, and the Transfer Act also indicates we are to provide health care to the American Indians, and we can indicate other laws. The Snyder Act and the Transfer Act state we are to provide health care and Public Law 437 which very recently does this.

I have to rely on the first two very definitely.

Senator MELCHER. My counsel says the Snyder Act was enacted by Congress in 1921. Is that about right?

Dr. EXENDINE. Correct.

Senator MELCHER. Before we ever heard about the Department of Health and Human Services or heard about the Department or its predecessor, Health, Education, and Welfare, the Snyder Act was enacted. It seems to have some very definite provisions about Indian health service.

And before we ever heard of the Snyder Act, we heard of Indian treaties. They seem to provide some requirements of Federal responsibility which goes quite far back.

Dr. EXENDINE. Yes.

Senator MELCHER. I am a little bit alarmed at the initial mandate based upon flexibility to allow the Department of Health and Human Services to start a policy that is mandatory in some way without reverting back to what the obligations are based upon, not only the statutes, but on previous treaties that predate this or predate the statute.

If you carry it to the ridiculous, you are more than 170 miles away. You are 500 miles away, based on the contract prices. We hope we do not have to belabor this point much during the next several months on what the policy is.

We do want to provide a reasonable level of health service where the needs of the individual Indian or Indian families are taken into consideration.

Dr. EXENDINE. Yes, sir.

Senator MELCHER. Another concern I want to express to you is travel time. We have to face the fact that travel time, under good road conditions might be an hour, or under adverse weather conditions, it might be double, triple, or even quadruple. That makes it a greater problem that we are going to have to face or have some sort of arrangement with the lowest bid, or contract services might be somewhere entirely out of the area.

In the prepared statement of Dr. Rhoades, on page 3, it says, the administration is committed to the policy which "makes it clear that Indians can become independent of Federal control without being cut off from Federal concern and Federal support."

What I am wondering about is the elimination from the budget of the Indian health program such as the CHR program and the urban

health program. But as to this and the—well, both of these programs are rather critical, we feel.

How can the overall statement of providing independence for the Indians as to Federal control—that is, without being cut from Federal concern and Federal support be justified?

How do the two dovetail? The CHR program, for instance, we will take that one first. That is extremely important, we feel, and it is cost effective. That is both in terms of direct delivery of home health care to minimize costs and also from the aspect of preventive health and to prevent disease or ailments.

Last year in Congress, the CHR program was zeroed out in the proposed budget, and we insisted it be kept in.

Dr. EXENDINE. Right.

Senator MELCHER. Then we had to absorb some cuts. We are finding out that the senior job program had to take more than its share of the cuts. We had a 12-percent cut. Then we bowed to a 4-percent cut. That is what we finally ended up with, with IHS.

I talked with people that worked with the CHR's on the Indian reservations, and I found out their cuts amounted to 35 percent, 42 percent, and others. Why did that happen?

Dr. EXENDINE. Let me take you through the three questions you have. First of all, you are absolutely correct. The CHR program is a very valuable program. There is no question about it. It probably gives us a complete health component on the reservation unequal to anyplace in the world.

To give you a little history, at the inception of the CHR program, there were some discussions as to whether the Indian Health Service should control it or whether tribal people should.

A decision was made that the tribes would best know how to utilize the CHR program. As a result over the years, it graduated from more or less a general program up to a health specialist program. We are happy to say that over 1,000 CHR's now are health specialists in the communities. They are able to fill in the gaps where we are not.

There may be emergency medical technicians. Some may be optometry technicians. Some may be nutritionists; specialists who work with tribal people.

In order to complete a well-rounded health program on the reservations, the tribes were able to take those individuals and say, "We needed that type of skill on the reservation."

As indicated earlier, I, personally, feel it is probably one of the best programs. Canada is trying to copy our system. Liberia is trying to, also. Also, there is a need for the general type or the generalist. They are able to with the communities.

For example, when we get ready to have an immunization program, we have the highest success rate of any people. I think we run around 85 percent success rate for children under 27 months of age.

The CHR's are able to go into the homes. They are able to get the small children out and help immunize them. Another good example is that most of the communities have emergency medical technicians. They are able to respond to an accident within 15 or 20 minutes.

As a result—well, if the individual does not get immediate care, the more expensive it becomes. Accidents are a good example. CHR's are valuable components to our programs.

Now, let me address the cuts. On October 1, we had to revert to either the House mark or the fiscal year 1981 budget, whichever was lower. We had to revert to the fiscal year 1981 level, which was $606 million. OMB at that time gave the directive to us that we had to operate at the 90-percent level.

This means that we were operating at really 10 percent less than the $606 million. They did not give us any guidance, however. The Indian Health Service, at this particular time, as you mentioned earlier, was to zero out the CHR program. Without that direct guidance from OMB, we chose to take that 10-percent cut and spread it across the board. Because of that, we did not have to zero out the CHR program. We were able to keep it alive.

As you mentioned earlier, in November, they did have to take a reduction. I believe it was in June, and I may stand corrected on this, but I believe the House reported out $39 million for the CHR program. But in September, the Senate reported out $24 million. The conferees came up with $30 million for the CHR program. That really amounted to the 17 percent.

Now, keep in mind, we had the option of either zeroing them out or taking what the committee had come up with. We still had the ability without guidance from OMB to keep the CHR program going without zeroing them out as OMB instructed.

However, we had to cut them back to the 17-percent level that the committee had agreed upon.

We knew at least it was going to be $30 million. Then later on when the conferees agreed to the additional 4-percent cut that came along, then we had to reduce that 17 percent down to 21 percent.

So as a result, we had to drop the $30 million down to $28.8 million for this fiscal year. As I indicated earlier, we are happy to say that we are keeping the CHR program alive and I guess the third part to your question is, why is there not any money in the 1983 budget for the CHR program?

I guess the answer to that is, it is a matter of priorities and economics.

Senator MELCHER. Some of the CHR's feel they are considered primarily of preventive health care and not health delivery. In fact, many of the CHR's are really health delivery. Is it advantageous for them or for us, if we choose, as I think we will in Congress, to continue with the CHR program to describe our intent in the appropriation process of the combination of both health delivery and of preventing health?

Dr. EXENDINE. Yes, I think it would be. As I indicated earlier, a good many of the CHR's are actually more than generalists. They are in health care delivery. Probably the best aspect of that would be to transfer the majority of the CHR program into what we call hospital and clinics. They are in the health delivery system within our total program. They are a vital part.

Senator MELCHER. It might be better to carry out our intent in Congress and fit better with what CHR or what they do to have them under the clinical services part of the budget.

Dr. EXENDINE. Yes, sir.

Senator MELCHER. I guess having that on the record is sufficient, but we want to draw that to the attention of both the House Appropriations Committee and the Senate Appropriations Committee because that, evidently, makes a difference.

Dr. EXENDINE. Yes, sir.

Senator MELCHER. On page 66 of last year's justification book, it reads:

> The CHR's would provide direct health care services that become a crucial element of the health care delivery team on many remote reservations.

Now, I suspect what you just told us again, Dr. Exendine, is that that is still IHS' position.

Dr. EXENDINE. Yes, that is still IHS' position. I must qualify that.

Senator MELCHER. I understand.

Dr. EXENDINE. Yes, sir.

Senator MELCHER. Now, this year's IHS budget justification states—I am not quoting directly—but it makes a case that there are alternative resources for urban Indians. Do you know for certain that the health block grants will be available to the urban Indian programs?

Dr. EXENDINE. The absolute answer to that, well, I would probably have to say no. There is no absolute certainty that they will be available. Now, the concept as intended indicates that it should be available.

Senator MELCHER. I reach a conclusion, in my own judgment, that the Federal responsibility for health care not only stems from the many treaty obligations and the trust responsibilities of the Secretary of the Interior, which he has to carry out, but the Federal Government has to carry out, in a broader sense in terms of health, the Snyder Act and a series of statutes. You mentioned yourself, I think, the Indian Reorganization Act, or a more recent act that has been passed here in Congress.

But, if there is no assurance that the block grants will be available to the urban and rural Indians, what rationale or what justification can there be to keep funding these programs?

Dr. EXENDINE. I guess I have to refer back to the matter of priorities and economics. That would probably be the best answer in trying to decide where to best put the dollars that are going to be made available.

A decision has been made that the dollars for the urban programs should be transferred into the hospital and clinics budget. That is actually what has happened.

The CHR program and the urban program are offsets. The dollars used for those programs were put into hospitals and clinics. As a result, the inpatient and ambulatory care had a higher priority.

Senator MELCHER. I am not sure I understand that. Has the IHS reprogramed any title V urban health money into the contracts?

Dr. EXENDINE. No, sir, they have not.

Senator MELCHER. The budget justification for IHS seems to speak of direct care to the tribes and discontinuing nondirect care in Indian programs and community representatives of CHR's.

I take it from what you told us, Doctor, you are not going to try to justify that.

Dr. EXENDINE. With your permission, I will give you my personal opinion.

Senator MELCHER. I would like to have your personal opinion.

Dr. EXENDINE. I assume we are talking about the urban programs.

Senator MELCHER. Yes.

Dr. EXENDINE. In our budget submission earlier, we did send forward our request to continue the urban projects. The allocations that come down—well, we did appeal the budget cuts in relationship to the

urban projects. I, again, have my own personal opinion that a good many of the projects are very worthwhile.

Here is my reasoning behind it. You are well aware of the relocation that took place by BIA in the 1950's. They moved many Indians from reservations into larger urban areas like Chicago, Cleveland, and places along those lines.

Many of the tribal people who were relocated were unskilled, and they took low income jobs. As a result, they were not able to obtain sick leave or annual leave. How sick do you become, or let your child become, before being taken back to the reservation to obtain health care?

In 1968, after much discussion, Congress put in $150,000 for a pilot demonstration in Minneapolis, Minn., just to see what would happen.

It was a very successful program. It was pointed out very clearly that tribal people, moving to larger cities like Chicago, Cleveland, Minneapolis, and Seattle, did not have the knowledge or the skill or the know-how to access the resources that were available in those larger cities. And by this project in Minneapolis, which I might say is probably one of the more successful ones in the country, tribal people were able to come to that center to obtain health care.

They were either permitted some limited direct services or it provided them an opportunity to open the doors where they could get some services within—well, the health programs.

Now, over the years, Congress has seen it has been very successful on this, and more money was added. You have probably one of the more successful ones up in Montana.

As a result, it grew to the amount of money that it is—$8.2 million, which is where it is right now. It does provide an opportunity for the individuals to come to the clinics to obtain care in most instances.

If care is not there, there is an option to be referred to other resources. There are some very successful urban clinics.

Senator MELCHER. I thank you very much for your personal judgment on this because we need that type of input. We very much need it on this committee. We realize there are times when the budget restraints require that the administration witnesses try to uphold the restraints where, in their own best judgment or opinion—that is as to the less expenditure of Federal funds and the programs are down or underfunded. We have to be very careful that way.

We know that underfunding in health care often results in additional costs later on. It is pennywise and pound-foolish.

We want to be extremely careful on this matter as it comes under our jurisdiction here on this committee. I will note that there is to be a $29 million decrease in the elimination of Federal funding at the tribal staff in providing liaison with some health services for the Indian people under the community health representative program or for the CHR's.

In this context, what does the term "liaison" mean?

Dr. EXENDINE. I would probably say, if I may—or let me preface this with a statement that there is probably much misconception to the CHR program. Liaison, as I think it is being interpreted, would be someone who was part of the transportation system, which is very misleading. In some cases, that is true. Yet, it is very vital. It is very important that we have a liaison person in each community connected with our health facility.

Now, Dr. Rhoades may disagree, but I think that we can have the best physicians in the world. We can have the best facilities in the world sitting in the central part of the reservation.

But, if we do not have that liaison person tied to that community who can quickly identify somebody who is ill, and who should go to the hospital for treatment, or when they leave the hospital, give some assurances they will take their drugs, it becomes more costly.

It is the link that is between the community and the hospital that has made this program very successful. It is very cost effective. I am probably as guilty as anyone, but I have a tendency when I become ill to lay there until I absolutely get so sick before I go to the hospital.

Now, with a liaison person and with that tie to the hospital, the generalist is able to go and talk to the individual. They talk their own language, and they convince them they should go to the hospital very early. As a result, they get them to the hospital. That is very cost effective.

So I guess the word liaison is or would be interpreted to be the very unique integral part that ties the hospital to that very community.

Senator MELCHER. Now, Doctor, in your judgment, not only is the liaison effort cost effective, but the CHR program itself saves IHS money.

Dr. EXENDINE. In my own personal opinion, yes, it very definitely does.

Senator MELCHER. Well, if we can eliminate a day in the hospital or 2 days in the hospital for a patient by prompt treatment, then we are really saving money.

Dr. EXENDINE. You are absolutely right.

Senator MELCHER. Every Indian tribe I talk to without exception stresses the need for alcohol programs. Most tribes cite to me that their No. 1 health problem is treatment of alcoholism.

Now, some have adopted a tribal resolution that the alcoholism program be made a line item in the 1983 IHS budget. I cannot emphasize how emphatic the Indian people are in telling me that we have to be cognizant of this being a major problem. So many different tribes have told me that it is their No. 1 problem concerning health.

I just wonder, what do you think, Doctor, about this? First of all, is it necessary to have a line item? Do we have to emphasize it that way?

Dr. EXENDINE. I would not think it would be altogether necessary. I think we could separate the health aspect of it. But let me point out probably the reason that it is a line item.

Senator MELCHER. Please do.

Dr. EXENDINE. I am going back further than I should but in 1970 or 1971, there were some discussions about Indian Health Service taking over the alcoholism projects in the NIAAA.

Now, the legislation for these programs was about to expire at that particular time, and, in order to assure that the alcoholism projects would continue, IHS sat down and agreed that we would take them over. They would transfer over to us. We did not necessarily want them at that particular time.

We did not know that we could do any better job than anybody else to assure success in those alcoholism projects. We agreed to transfer them over.

As a result, they were transferred over with the exact dollars that were in the budget of the other agency. Then they automatically became a line item within our budget. We did not interfere with those dollars.

I might add, the thing that has hurt the alcoholism projects is that it has been this department's policy, and it has been long before this administration, any grants would not receive any cost of living increase.

So, since 1972, when the first projects came over, those projects have not received any cost of living increases at all. As a result, their buying power has actually gone down. That is since 1972.

They are getting further behind as inflation goes up. That has been one of the major problems with the programs. I agree with you, I am happy to say that all through the budget process from Indian Health Service to the Health Services Administration and OMB, that there has been no attempt to cut the alcoholism projects. They did have to suffer the 4-percent cut, though.

Senator MELCHER. Did we end up in this current fiscal year with $16 million for alcoholism for that program?

Dr. EXENDINE. I think $16.2 million, minus the 4 percent.

Senator MELCHER. In the 1983 budget, it is proposed to be at $20 million.

Dr. EXENDINE. Yes.

Senator MELCHER. In that budget?

Dr. EXENDINE. Yes. Where that comes in, we actually have 139 projects at this point in time. We are getting transferred over to us the last remaining projects in the NIAAA. That was the difference in the budget that you have before you.

Senator MELCHER. Once the transfer is completed, will there be more?

Dr. EXENDINE. At this point in time, it does not look very hopeful. I hope there will be. It really depends upon the budget of the NIAAA.

Senator MELCHER. I want to get back to this question of the contract care, the contract hospitals. Really, should not the IHS be the ones to determine the competent, most desirable contract hospitals?

Dr. EXENDINE. Yes, I think they should be. Well, the simple reason is the local physician has the ability to determine which hospital and which physician could provide the quality care that the people are entitled to—the Indian people.

Senator MELCHER. Could Mr. Gaudreau come back to the table? Now, I will direct the same question to you, Mr. Gaudreau.

Should not the Indian Health Service have a discussion as to which contract provider might be the best for the——

Mr. GAUDREAU. Let me put this in the context of what I am qualified to talk about. First of all, I am a contract manager. My area of expertise is 41 CFR, chapters 1 and 3. Chapter 1 is the Federal Procurement Regulation. Chapter 3 is the Department of Health and Human Services Regulation.

There is nothing in either of those bodies of regulations that makes exceptions for the Indian Health Service in regard to abiding by the competitive rules that exist. Well, I take that back. There is one; it relates to the Indian Self-Determination Act and that is specifically identified.

The basic policy in the Federal Procurement Regulations is that we should compete whenever it is practicable. Now, in the policy that we issued, we were not establishing new policy; we were providing a new emphasis on competition because the policy to compete has always been in existence for as far back as I can remember.

If it is this committee's intent that the Indian Health Service be given some prerogatives and some authorities beyond those which are now being provided in the regulations, then this committee should propose some legislation to exclude it. Outside of that, we are, in effect, simply enforcing and implementing and trying to clarify and provide some parameters for the implementation of a policy that exists.

Senator MELCHER. I am going to get to the legislative part of it in a second, but from a practical commonsense standpoint, are we not talking about a broader field than what will be called a rather sterile one or sterile language in the regulations?

Mr. GAUDREAU. We certainly are, Senator, and we felt we made adequate provision for flexibility in those regulations or in that policy for programmatic judgment and discretion.

We feel that the needs of the people can be addressed within the confines and within the parameters of that policy.

Senator MELCHER. As the committee, we will not pass on to you the obligation of reviewing the Snyder Act or the other acts to see whether or not there is really a little more emphasis that is placed on how delivery of health care can be made in terms of contract hospitals. We will review whether, in our judgment, there is something necessary to be done from a legislative standpoint. If there is, we will take that responsibility ourselves via the legislative branch.

In that review of the statutes, we will probably be speaking to you directly.

Mr. GAUDREAU. Yes, sir.

Senator MELCHER. We will be pointing out what we feel is required of the existing statutes. If there, indeed, is not enough guidance, then we will see what we can do about correcting it from a legislative standpoint.

Dr. EXENDINE. Yes, sir.

Senator MELCHER. There is an indication, Dr. Rhoades, that the area director of IHS in Billings will be changed. In lieu of a new Director there, if that is the case, will you be consulting with the tribes that are involved?

Dr. RHOADES. Absolutely. Yes, sir.

Senator MELCHER. Thank you both, very much.

Dr. EXENDINE. Thank you, sir.

Senator MELCHER. Dr. Rhoades, your prepared statement will appear in the record at this point.

[The statement follows:]

PREPARED STATEMENT OF DR. EVERETT R. RHOADES, DIRECTOR, INDIAN HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. Chairman and Members of the Committee: I am honored to be able to make my first appearance before this distinguished committee as Director of the Indian Health Service (IHS). After many previous appearances here as an "outside" witness, it is with a mixture of emotions that I find myself in this new and somewhat strange situation.

In certain respects, this is a significant occasion. It reflects the first appointment of an Indian to this important position and I am aware of the special responsibility that has been entrusted to me as the person so designated.

Further, I am aware of the special honor and the responsibilities imposed by following Dr. Emery Johnson in his distinguished career as Director. His 26 years of service to IHS, of which nearly twelve years were as Director, is a record of distinction. I hope that I may earn the trust and respect that Dr. Johnson earned from the Congress, from the Indian people, and from his staff.

Mr. Chairman, although I have come from the "outside", I am not a complete stranger to the IHS. I was born in the IHS Hospital in Lawton, Oklahoma, and subsequently was treated there for typhoid fever and appendicitis. The care I received was timely, professional, and, I am especially happy to report, successful. Over the years I have worked rather closely with various levels of the IHS. I have witnessed its rapid growth—in large part because of the salutary efforts of your committee—into a comprehensive health program of much needed and highly valued health care services to the Indian community.

I have been in my position about four weeks, and a major portion of my time has been directed at familiarizing myself with this system. The committee may be interested in my early impressions of the IHS.

My initial impressions of the IHS is that it is a much better organization than is commonly perceived. I am impressed by the number of outstanding persons working long hours, under considerable pressure, with an intense dedication which is, quite simply, inspiring. There are many modest, unassuming individuals, extremely knowledgeable about their duties, who are pursuing those duties with a diligence which I have not seen surpassed. I would like to give them—bureaucrats all—a note of recognition.

In addition, I have quickly recognized the extraordinary complexity of the IHS—a complexity not readily grasped by one nor privy to the great number of diverse programs operated by the IHS throughout this country. It is a complexity considerably greater than any other health system of which I am aware, and it is a complexity which must be considered in any critique of the operation of the Service.

Along with these initial observations, however, I am aware of the need for creative and innovative management which will allow the IHS to maintain high quality health services.

The IHS is systematically examining every conceivable option to reduce expenditures without unduly reducing the essential health services it provides to Indian people. I have pledged myself to carry out this mandate to the best of my ability.

The decade of the seventies witnessed significant changes in the structure of programs providing health services to Indian people. The era of change which began with the transfer of the IHS to HHS in 1955 under President Eisenhower received additional emphasis from the Presidential Message on Indians delivered to the Congress on July 8, 1970. In this message, President Nixon spoke of past inequities, of the failure of termination policy and of the paternalistic attitude of the Federal Government. He repudiated these past events and declared a new national policy toward Indian people: one of strengthening ". . . the Indians' sense of autonomy without threatening his sense of community" . . . to "make it clear that Indians can become independent of Federal control without being cut off from Federal concern and Federal support." President Reagan is committed to a similar policy of Indian Self-Determination.

From this statement of the need to establish a new Federal-Indian relationship came two significant laws: The Indian Self-Determination and Education Assistance Act (Public Law 93–638) signed on June 4, 1975; and the Indian Health Care Improvement Act (Public Law 94–437) signed on September 30, 1976.

Public Law 93–638 made self-determination by tribes the keystone of a new relationship in which Indian people, acting through their tribal governments, could control and/or operate their own programs, including health, if they desired. An excellent example of this is the exceptional effort that has been expended by tribal and Alaska Native groups in the development of community based emergency medical response and transport programs. This development has taken place with the assistance of the IHS.

The Federal Government established its philosophy of self-determination for Indian people in Public Law 93–638. Public Law 93–437 authorizes resources to carry out the mandate for self-determination expressed in Public Law 93–638 in the field of health. It also requires the Secretary of HHS to report to the Congress periodically on accomplishments made in implementing these programs and the need for resources to accomplish the goals defined in the Act. This latter requirement was achieved with the development of a National Plan for the improvement of health care of Indian people. This plan, entitled "The Tribal and Urban Specific Health Plans" was submitted to the Congress in April 1980.

There now exists a Federal health program for Indians in which services are delivered by tribes and tribal organizations as well as by IHS. The IHS continues to operate its health care system of providing services to those Indian tribes who have chosen not to contract to provide those services for themselves. The IHS has the responsibility of assisting tribes in their decision making process by providing information, training, technical assistance and support. The IHS will continue to emphasize the primary care activities of the IHS as its highest priority.

As part of the National Plan for the improvement of health care of Indian people and in response to congressional direction, IHS has developed a health services priority system which ranks the needs of various tribes as expressed in the tribal specific health plans. This system includes a common measure of equity in assessing the health needs of each tribe. Having identified the resources required for each tribe, the levels of deficiency were grouped into five categories, with Level I containing those tribes with less than 20 percent deficiency and Level V containing those tribes 81–100 percent deficient in needed resources.

In reviewing the National Plan, which contains the array of tribes by priority of need, Congress established an "Equity Health Care Fund", the intent of which is to insure that those tribes with the greatest resources deficiency receive priority funding. The Equity Health Care Fund was implemented in fiscal year 1981. In that year, the IHS appropriation included $7,856,000 which was directed to the 51 tribes in Level V (81–100 percent deficient). This appropriation permitted their elevation from Level V to Level IV (61–80 percent deficient). The fiscal year 1982 Equity Fund appropriation of $7,636,000 has been distributed according to the same plan. The fiscal year 1983 budget request includes an additional $4,000,000 for the Equity Health Care Fund which again will be directed to the tribes with the greatest level of resource deficiency.

Concurrent with the development of a health services priority system, IHS also developed a priority system for health facilities construction which has been approved by the Department.

It is significant that the appropriations process is now closely and directly related to the planning process, both Federal and tribal. The Congress is now utilizing the National Plan, its identified resource needs, and supporting health services priority system, as an integral part of the appropriations process.

PROGRAM MANAGEMENT

As mentioned earlier, special attention must be given to the recognized need for changes in the management of all programs in order to meet the changes that have occurred in the past 10 years. Because of the dramatic increase in size and complexity of IHS programs, a need has arisen, as noted by both the Congress and the IHS, for newer and more efficient management techniques. To further improve and strengthen the management capacity of this complex system, IHS has developed and implemented a review process designed to evaluate and institute improvements, where indicated, in the management of its programs. Significant progress has been achieved as a result of the management review process.

Some specific examples of improved management follow.

Development of a financial management protocol to review, assess, and improve IHS financial management performance.

An improved IHS Cost Accounting System incorporates appropriate techniques so that needed cost information will be produced for management decisions. It will show significant elements of cost incurred in accomplishing a specific purpose, carrying on an activity or operation, or completing a unit of work for a specific task. There are 84 cost centers in the system. The system will promote improved program efficiencies through cost accounting techniques.

Guidelines have been developed to increase the effective and efficient use of IHS contract health service funds. These guidelines establish specific responsibilities for administration of contract health services, including authorization and fund control procedures. Under these guidelines, contract health service funds are not to be expended for services that are reasonably accessible and available at an IHS facility.

The Medicare/Medicaid reimbursement plan continues to provide for the upgrading of hospitals and ambulatory care departments so that they will correct deficiencies identified in Medicare surveys and in Joint Commission on Accreditation of Hospitals surveys. Priority ranking systems have been developed for health services. These systems assure that new resources are targeted to the areas of greatest need.

The Resource Requirement Methodology (RRM) is a system designed to delineate the staffing required for health care delivery. This system is used annually to determine the health care needs of all the tribes. It is also used in determining the staffing for new facilities.

The hospital bed planning methodology has been developed and implemented for determining the bed capacity for hospitals. This methodology provides the standards, criteria, and procedures to insure that sound decisions are made in the construction of health facilities.

The investments made in providing health care for Indian people are now showing gratifying dividends. In spite of these positive accomplishments, there is always room for progress, especially in those areas of social and behavioral pathology. Efforts at mitigating the effects of alcoholism, mental illness and accidents appear to be beginning to show promising results. Since diseases often find their causes in community based problems, the IHS will work with Indian tribal community leaders to effect changes in the root causes of these problems.

The success of the programs to date shows that the Executive Branch and the Congress working together to carry out a new Federal commitment to Indian people can achieve dramatic results, both in the reduction of illness and disease and in assisting Indian people to control or operate their health programs, thereby lessening Federal presence in this basic element of their lives.

I have already noted my pledge to carry out these mandates. I look forward to working with IHS staff, members of Congress and their staff, and Indian people themselves in attempting to reach our mutual goals.

Of necessity this statement has been an overview of the current status of the IHS, as I see it, at the time I assume my new duties. Further, I pledge my efforts to the fulfillment of the promise and commitment of the name: Indian Health Service, by providing health services of, by, and for Indians. Mr. Chairman, this concludes my opening statement. Attached to my formal statement is a supplemental statement which itemizes the specific amounts requested for Fiscal Year 1983. I am accompanied today by my Deputy, Dr. Joseph Exendine, and other IHS staff. We will be happy to answer any questions you may have.

SUPPLEMENTARY STATEMENT

For Fiscal Year 1983, the Administration is requesting a budget for the Indian Health Service of $613 million. This represents a net increase of $13 million over the 1982 level of $600 million.

The health services expansions include a $3 million increase to fund the opening of the newly constructed Chinle, Arizona, Hospital on the Navajo reservation; a $4 million increase to provide for augmented services to the least-served tribes; and an additional $3 million to fund 19 Indian-managed alcoholism treatment projects transferred from the National Institute of Alcohol Abuse and Alcoholism.

Decreases in non-patient care activities includes $29 million due to the elimination of Federal funding of tribal staff who currently provide liaison and some health services for the IHS and Indian people under the Community Health Representatives (CHR) program. A decrease of $8 million reflects the elimination of Federal funding of tribal staff who currently provide liaison by local and State governments through Federal block grants. The remaining $2 million decrease reflects limiting Indian Health Manpower scholarships to those students currently funded by IHS and still completing degree studies.

Specifically, the fiscal year 1983 health services budget includes:

$342,612,000 for hospital and health clinic programs;
$19,880,000 for dental health programs;
$8,077,000 for mental health programs;
$20,207,000 for alcoholism programs;
$8,267,000 for maintenance and repair;
$130,547,000 for contract care;
$15,131,000 for sanitation services;
$8,324,000 for public health nursing;
$2,293,000 for health education;
$4,044,000 for Indian health manpower;
$2,634,000 for tribal management;
$51,264,000 for program management; and
$4,000,000 for the equity health care fund.

Indian health facilities

Although there is no new budget authority requested for hospital and clinic construction in 1983, funds appropriated in previous years will allow the IHS to continue: the design of five new or replacement hospitals at Browning, MT; Kanakanak, AK; Crownpoint, NM; Sacaton, AZ; and Rosebud, SD; the construction of the replacement hospital at Tahlequah, OK; and the construction of three health clinic projects at Anadarko, OK; Tsaile, AZ, and Huerfano, NM.

Sanitation facilities

With the completion of the sanitation facilities authorized through FY 1981, approximately 1,000 of the 1,500 American Indian and Alaska Native communities and 20,000 of the scattered, rural homes will have been provided with water supply and/or sewage disposal systems, including 71,000 new and improved Indian homes served in coordination with the Federal Indian housing program. The Administration recognizes the need for funding sanitation facilities for the remaining federally funded Indian homes and the sources of funding are still under construction.

Senator MELCHER. We have been talking quite a bit about CHR's, and I would like to call the president of the National CHR Association. Is he here?

Ada White is the president of the National CHR Association of the Crow Agency in Montana.

Now, Ada, we have had a discussion with Dr. Exendine and Dr. Rhoades about the CHR's. As you know, they are rather strongly in favor of continuing that activity as a fine way to deliver health care and a fine way also to deliver better preventive health care measures on reservations.

Can you give us, from your own experience, and drawing even more broadly than that from the standpoint of the association on the value and the necessity of CHR's?

STATEMENT BY ADA WHITE, PRESIDENT, NATIONAL ASSOCIATION OF COMMUNITY HEALTH REPRESENTATIVES, CROW AGENCY, MONTANA

Mrs. WHITE. I appreciate certainly the time that you have given the National Association to present the first line view of the activities, the problems, and the concerns of CHR's across the country.

Certainly today is no more appropriate than yesterday to address the needs of health services that are needed by Indian people.

As you well know, the CHR program has been in existence for the past 13 years. Furthermore, we have always retained a line-item appropriation from Indian Health Service and as such, have tried to fulfill the expectations of accountability and program effectiveness throughout the country.

Now, this past year for fiscal year 1982, the CHR program did suffer a 21-percent cutback. I have documentation here from several areas that alludes to the fact we were reduced by 21 percent. Furthermore, the administration has recommended that CHR's be totally eliminated from the 1983 fiscal year appropriation.

The critical concern of CHR programs is the need for the continued provision of services in those areas of patient care not being met by other health providers; more specifically, the Indian Health Service, State health and county health programs. I would like to give you some examples that stand open and need to be provided: the transportation from the clinical hospital and the medical monitoring of patients for

the physicians and the absence of local specialty doctors and hospitals. We are looking at, well, monitoring patient compliance to medical treatment plans. We still have people with communicable diseases that need to be monitored and need to be checked very closely.

Certainly, we could leave this up to the community health nurse, but as it stands, she is very overworked, and with more specialty assignments.

The third point is, the patient education and assistance and utilization of other resources there. We still have many Indian people that do not have full comprehension of the English language. And, when it comes to medical terms, they are certainly left high and dry like most average Americans.

The veterans are a really special priority of CHR programs, and the veterans' facilities, as you well know, are not located on reservations nor do we have a transit system that provides for the transportation of veterans.

We can go on and on and on as to the kinds of services provided by CHR's. Let me emphasize that the basic concerns of CHR programs will be the complete lack of services that we have just mentioned. We also know that the conditions which justify the creation and continued appropriation of CHR programs still exist. We know that the remote locations on Indian reservations are still there. We know that the scattered homesites and inaccessible roads in winter and summer thaws are still present.

We know that the lack of transportation is still there. We know that poverty and, certainly, unemployment is still extremely high. We know that living conditions are such that health problems, if communicable, are spread very easily within the home or the extended family structure. We know it is still difficult for Indian people to generally sit down at a table with a white counterpart and try to communicate.

We also know there is a very strong lack of knowledge regarding the existing resources available and the inability to communicate across cultural barriers.

Let us look briefly at the impact of the fund reductions and complete eliminations that they would have in the direct health care categories.

We know that if the CHR program is not re-funded, there is going to be no one there to provide and to present the needs of the Indian people. We know there is no secondary system that is going to be brought in to take over the areas in which services did exist.

We recommend that the proposed reduction in health services for native Americans and Alaskan Natives be curtailed as soon as possible; that the Health Service classification be reviewed in its entirety and we know that if the CHR program goes, there is going to be a nominal kind of effect ranging from generally what we do on up into more specialty categories.

Another point, is the CHR allocation should be appropriately placed within the Indian Health Service Classification System but that Congress retain and maintain the special line item allocation for the CHR programs and require appropriate accountability and justification.

I heard earlier how people seem to be in favor of putting the CHR programs for preventive into direct patient care services. That would be good.

I do believe that CHR programs share this concern across the country, and we are talking about a dual system within the classification: IHS and tribal.

Our position is very clear. If any changes do occur, the constant line item provision remains intact. So, even if it is in tribal or direct health care services or whatever, the money does go where it belongs in that service, to the people.

Indian Health Service be requested to reinstitute a national reporting system for CHR's. We know in 1975, the Indian Health Service, along with consultation from the appropriate tribal leaders, established a national CHR reporting system. The need for the system was to develop a strong data base for information.

In December 1981, this was canceled without appropriate consultation with tribal leaders. Therefore, we recommend that appropriate steps be taken to reinstitute a national CHR reporting system.

The funding authorities utilized by Indian Health Service and tribal groups be tailored to suit needs and purpose and intents of CHR programs. On this point, Senator, I will be very clear in stating that in some work areas, CHR's are extremely under oppressive and suppressive direction.

Certainly, as a national president, I am here to present those basic concerns of CHR employees throughout the country. We know that Indian Health Service has held out certain contract mechanisms. Well, the end result is the fact that I have CHR's that are working under extremely oppressive work conditions.

I would like to share briefly with you some personal statements from people across the country. As an example, from Oklahoma, I have a woman, Lucy Barber. She said:

> A man of many talents, a maintenance man to do for the Indians. He insulates the homes. He puts plastic over their homes and windows, anyway he can help to make folks comfortable. He is needed. We ask that he not be taken from the old and needy. You should make a trip with one or both of these mentioned persons. Please help them.

The whole point, Senator, in the secretary's statement there are two paragraphs of CHR work that are accounted for, $3 million in expenditures. Certainly that was overwhelming for us. Sometimes CHR's provide health care and liaison, and they are the two basic words that stood out.

When we say liaison, we are talking about services that tribal people cannot provide; Indian Health Service cannot provide. The Government employees, by regulations, will insulate and take care of Government homes. This certainly does not reach tribal people.

I have a letter from another woman who is 54, and lives alone. She says she needs daily contact from CHR's, and we have a man that says he is employed with a medium amount of income. He just works all the time. He cannot take the time off from work to make sure his two kids get into the welfare clinic.

These are just mere examples of the kinds of activities that we have. And in my presentation, I will give you my three page statement. I will provide the documentation and statements from the program and from the 1982 report on the CHR program in Arizona and position papers on the Indian tribes of Oklahoma and Kansas supporting data, and a summary of the programs and budget statements of CHR pro-

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grams in the Billings area, and letters of support from the Crow Tribe in Montana, and the Indian Affairs Commission in Oklahoma.

I will have resolutions of the Montana Board, the United Indian Tribes in Kansas. In addition, I will also present this packet of approximately 525 personal statements of Indian people across the country.

Senator MELCHER. Thank you. Your submissions will be made part of the record at this point.

[The material follows. The letters of support and personal quotes are retained in the committee files. Testimony resumes on p. 89.]

Statement presented: Senate Select Committee
Subcommittee on Indian Affairs

Statement by: Ada White
President, National Association of
Community Health Representatives

Mr. Chairman:

My name is Ada White. I am a member of the Crow tribe of Indians from the State of Montana. I appreciate your concern and the opportunity provided for this statement to be presented.

Today, I am speaking on behalf of the National Association of Community Health Representatives. This organization represents the interest and promotes those common concerns of Community Health Representatives (CHR's).

The CHR program is a line item within the Indian Health Service budget allocation. The CHR program has been in existence since 1968. Certainly, no time is more appropriate than the present to convey the anticipated results of the impact of fund reduction for Indian health services. More specifically, the CHR program, a contract program with the Indian Health Service, is uniquely designed to deliver and to respond to the special health needs of Indian and Alaskan Native communities. The current Administration, without due consideration for the establishment of a health delivery system, cut the Fiscal Year 82 budget by 21% and scheduled the CHR program for complete elimination for Fiscal Year 83. The position of the National Association of CHR's is clearly stated: that the level of funding for the CHR program be allocated at the Fiscal Year 81 level or certainly no less than the Fiscal Year 82 level.

The FY 82 reduction of CHR services has meant, again, a 21% reduction. This means that the CHR position stands as follows: 2100 CHR's, of which 1,053 are specialist; 287 in administrative positions; and 76% generalist outreach workers. See attached program summary.

The critical concern of CHR programs is the need for the continued provision of services in those areas of patient care not being met by other health care providers (Indian Health Service, state, and counties). Some examples:

1. Transportation from home to clinic or hospital; renal dialysis; medical monitoring for the physicians; the absence of locally available health specialists; extremely specialized treatment from comprehensive urban medical centers;
2. Monitoring patient compliance to medical treatment plans--making sure those patients with communicable diseases, like TB, take medications daily;

3. Patient education and assistance in the utilization of other resources; getting children into well chld clinics for immunizations; taking veterans to VA vacilities for treatment and services; helping welfare clients utilize special services provided for them.

The listing of the kinds of services provided by CHR's can go on. However, the basic concern stems to the complete lack of services in those areas mentioned above.

Certainly, the conditions which justified the creation and continued funding of CHR programs still exist: the remote location of Indian homes and villages; the lack of transportation; poverty; unemployment, inadequate and limited living conditions; mutual suspicion between Indians and non-Indians; unawareness or lack of knowledge regarding existing resources and the inability to communicate across cultural barriers.

The impact of major fund reductions or complete elimination will represent major setbacks in direct health care and preventive health care. The loss of CHR service provisions would further eliminate services that the Indian Health Service cannot provide within the spectrum of existing resources and without curtailing other essential clinical services. The domino effect will certainly be given a lot of room.

The recommendations and suggestions:

1. That the proposed reduction in health services for Native Americans and Alaskan Natives be curtailed as soon as possible; that the health services classifications, curative-direct, preventive and rehabilitative be viewed in their entirety and due value placed on each category;

2. That the CHR allocation be appropriately placed within the Indian Health Service classification system, but that Congress retain and maintain the special line item allocation for the CHR programs and require appropriate accountability and justification.

3. That Indian Health Service be requested to reinstitute a national reporting system for CHR programs. The contract for the national CHR reporting system was cancelled in December 1981, by Indian Health Service without consultation with appropriate tribal leaders. This reporting system was developed in 1975 by Indian Health Service and tribal leaders to establish a data base for CHR programs;

4. That the funding authorities utilized by Indian Health Service and tribal groups be tailored to suit the needs, purpose, and intents of CHR programs.

The current services provided by CHR's is not and has not been provided by Indian Health Service, nor by the states and counties. This absence of health service must be the determining factor in the deliberations of Congress. Further, the assumption that the private sector pick up where the federal government terminates its service is completely inappropriate. There are no private services on Indian reservations. The economy of the Indian reservation is based on the availability of federal appropriations.

Again, thank you for this session.

ATTACHMENTS

Statements from:

Fort Peck CHR program, Poplar, Montana
1982 report on the Papago CHR program, Sells, Arizona
Position paper, CHR Indian tribes of Oklahoma and Kansas

Supporting data:

Summary of CHR programs
Budget statement CHR programs, Billings area

[1] Letters of support:

Crow Tribe, Montana
Choctaw Nation, Oklahoma
Kiowa Tribe, Oklahoma
Indian Affairs Commission, Oklahoma
United Indian Tribes of Western Oklahoma and Kansas
Fort Sill, Chiricahua, Warm Springs, Apache, Ponca tribes, Oklahoma
Wichita and affiliated tribes, Kansas
Catto Tribe, Oklahoma

Resolutions:

Montana Inter tribal policy board
Ponca tribe, Oklahoma
United Indian Tribes of Western Oklahoma and Kansas
Kiowa Tribe

[1] Personal quotes from and presentation of approximately 525 personal letters of support from Oklahoma

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[1] Retained in committee files.

CONGRESS MUST ACT TO RESTORE FUNDS TO THE COMMUNITY HEALTH REPRESENTATIVE PROGRAM

The Administration has again breached the trust reponsibility of the Federal government to American Indians as the White House urges Congress to slash the Indian Health Service (IHS) budget for fiscal year 1983.

We urge Congress to restore funds to a program of vital concern to Indian Tribes - the Community Health Representative Program (CHR). The CHR program is a unique health program providing a broad range of health care assistance to tribal members. The program has been in existence since 1969. Each CHR is managed and administered solely by individual tribes under contractual arrangement with IHS.

Last year the Administration sought to completely eliminate the CHR program. However, after Congressional investigation, Congress responded to the positive reports and funded the program at 28.8 million for FY 1982 - (a reduction in funding of 31% from the previous year). Again this year the Administration has callously called for the complete eradication of the program, ignoring the Congressional recognition of the need

for the continuation of the CHR program as a part of a comprehensive approach to serving the health requirements of the Indian population.

The CHR programs have expanded from community liaison and outreach to include professional and para-professional direct health care services to meet the unique and individual health needs of each reservation. Today the program includes 2100 CHRs of which [redacted] specialists. They provide diverse health services and include optometry and ear specialists, occupational therapists, practical and registered nurses (some even trained to perform renal dialysis) and dental assistants.

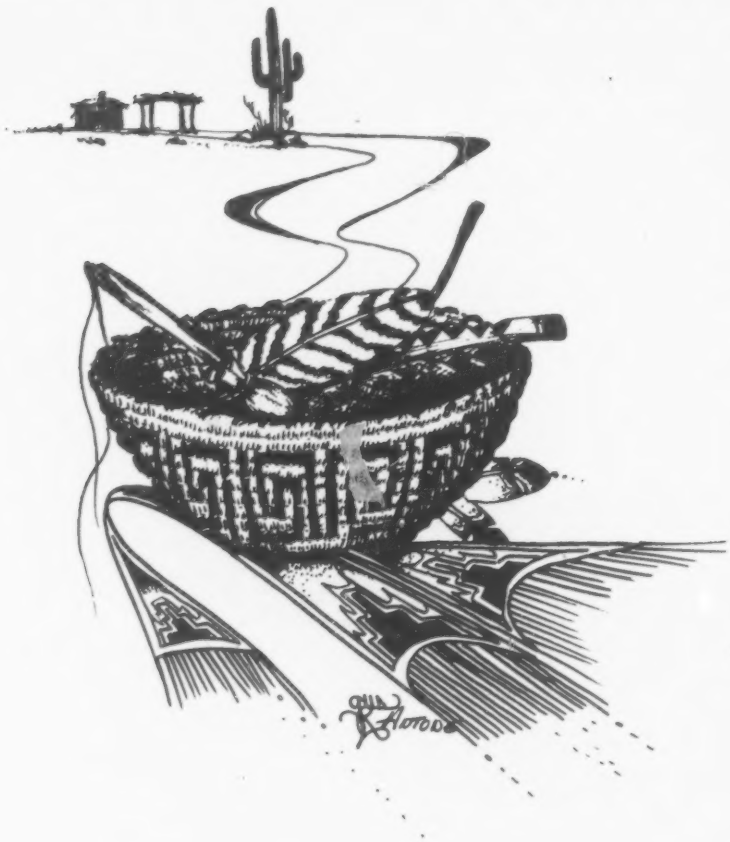
Some [redacted] 'generalist' outreach workers provide home visits to the elderly, chronically ill and children, give nutritional and prenatal advice, deliver medicine, give bed baths, etc. These generalist CHRs fill a unique position in the Indian community. Frequently they serve as interpreters for Indian speaking patients. They have closed the communication and cultural gap between the health provider and the Indian Community. [redacted]

The CHR program has proved efficient in dollars spent and lives saved. IHS statistics show both reductions in hospital admissions and length of hospital stay. Significantly the

increasing capacity of Tribes to meet the unique health needs of their members through the CHR program is beginning to improve the infant mortality and life span rate for reservation Indians. Elimination of the CHR program is a particularly cruel proposal for reservation Indians who have the highest infant mortality and shortest life span of any group in the country.

We urge Congress to act responsibly toward Indian people and restore funding to the successful and urgently needed CHR program.

1982 Report On The
Papago Community Health Representative Program



The Papago Tribe Of Arizona

"Understanding" Care Is Key To Improved Health

Since the beginning of the Papago Community Health Representative (CHR) Program in November 1968, its goal has remained constant — to "establish and maintain a CHR Program for the improvement of health care and health services to Indian residents of the Papago Reservation." And the program's objectives have led to improved health among Papago Reservation communities. Those objectives: 1)Provide better use of health services by coordination and communication between the individual community members and the health resources. 2)Provide health information and instruction to individuals and families to assist in the elimination or alleviation of health problems.

The communities have greatly accepted the CHR Program's purpose, and an awareness has been created among them that helps them to recognize and utilize the health resources and health care available to them. This was achieved through the program's home visits, community meetings, health workshops, and health education classes.

This concept of "understanding" health care and health maintenance, plus the awareness by residents of available health resources and health services, keep the CHRs at a constant pace, helping patients to meet their appointments, making home visits and health surveillances, and continuing to identify health needs and health resources as well as continuing to refer patients to those resources.

Driving And Education Are Compatible

Patient transportation continues to be a great demand because of the vastness of the Papago Reservation and the distances from villages to health centers. There are 76 villages on the reservation, the longest drive between a village and a health center being 72 miles. Other villages are isolated by bad roads, no vehicles in the villages and no telephones. Many have no running water or electricity. CHRs, through their visits to these villages, conduct screenings for illnesses such as upper respiratory infections, impetigo and diarrhea. They determine the severity of the ailments and dispense over-the-counter medications to relieve the discomforts of those illnesses. In cases where it is determined that a patient needs to be referred to a physician, the patient is usually transported to a clinic by the CHRs. These activities, responsibilities and duties of a CHR are very necessary to combat diseases and to educate the communities and community people.

Although transportation needs at times seem to overwhelm a CHR's time, it provides an excellent opportunity to dispense health education. The time in transit allows the CHR to counsel patients about their visit with the doctor, to explain the activities surrounding clinic visits and follow up visits and to provide the patient assurance and support.

Close Relationship Serves Best

The CHRs along with their patients attend special clinics, such as those dealing with conditions of diabetes, podiatry, eye, prenatal and dental care. They serve as interpreters for the patients and the doctor, and they assist the patients in adjusting to the sometimes alien clinic environment and situation. These kinds of activities take the CHRs to the homes to assist the patients in following the doctor's instructions and to insure that they are understood. In this role, CHRs also serve to deliver prescribed medications to patients who cannot travel. In addition, CHRs help with hospital discharges as well as performing all the functions of clinic attendance, home visits, and follow up visits.

Health And Safety Go Hand In Hand

In January 1978 a Safety Program with two Safety Coordinator positions and the Health Aide Program with one position were added to the CHR Program.

The Effects of the Layoffs

The lay offs have hurt the communities because there are now no services at all in safety, no health services to residents at the Children's Home, added paper work on the CHR field staff as well as for program administration staff. The Sells Hospital ambulance drivers continue to transport all dialysis patients at the cost of the Sells Hospital's Contract Health Service funds.

To conduct quality home visits, the CHRs are cutting down on routine visits and are placing more emphasis in patient treatment. Because of budget cuts, transportation for patients is being reduced to a point where patient appointments are cancelled or rescheduled. More and more difficulties are being experienced by patients who have appointments with one day clinics each month. Those clinics usually have long waiting lists, forcing patients who miss appointments to be placed at the end of the list.

Because winter is the peak season for upper respiratory infections, diarrhea and impetigo on the reservation, the CHRs are kept busy screening and referring to clinic patients with severe infections. These tasks are performed by the CHRs in addition to their other duties. And because of voluminous paperwork, many potential patients are having to be overlooked, resulting in complications of pneumonia, influenza and dehydration in some cases.

CHR Program Rated as Priority by Tribal Council

Because of the effects of the budget cuts on many services on the reservation, the Papago Tribal Council requested the 11 respective districts to prioritize their needs. In the health area, the reservation community cited the CHR Program as its number one health need. To cut the program in part or in its entirety will create drastic health problems and would be a step back in Indian health care. The CHR Program is a major source in the health delivery system on the reservation. Cutting the program further would result in reduced patient loads at clinics and an increase in the health care needs of outlying and isolated villages. Medical emergency situations where CHRs often serve as first responders would also be affected by a reduction in CHR services.

CHR Program Historical Summary

The CHR Program was born on the Papago Reservation when the Papago Tribal Council was approached by a representative of the Indian Health Service who was making an effort to determine the council's interest in such a program. The council responded affirmatively to the suggestion and appointed a sub-committee on health to plan and implement a community-wide health program. This concept was expanded to include the involvement of the community, from leaders such as councilmen to Indian medicine men. The sub-committee worked with the IHS Desert Willow Training Center, which at the time was involving itself in a program to train CHRs. Perhaps one of the most important aspects of the planning and subsequent training that was derived from the Papago experience was the involvement of the Indian practitioner (medicine man). This helped place in perspective the Papago tradition and cultural values as they related to health. Moreover, the support of the traditional practitioner and the awareness of his contribution in the minds of future CHRs helped set a direction that recognized the value of traditional medicine.

In its initial phases the CHR Program followed a literal community involvement model as espoused by OEO and at the same time a process that reflected traditional Papago ways. Since the CHR Program was the beginning manifestation of the IHS commitment to self-determination, this program becomes one of the most significant community development and self-determination endeavors launched by IHS.

The need for a safety program was realized when CHRs found it difficult to provide safety classes needed in schools and communities. The goals and objectives for the Safety Program are: 1)Identify groups, areas, or communities in need of safety training or workshops; 2)train homeowners to inspect their homes for safety deficiencies and fire and injury hazards; 3)work with other programs or projects to reduce injuries; 4)utilize resources to instruct homeowners in the proper methods of using electrical appliances and other equipment; 5)provide safety training and classes to childre.. attending headstart schools (9 centers) and 3 elementary schools.

The biggest challenge for the safety coordinators is to keep up with the many demands and activities that require safety training. Little time is spent on highway safety, the number one killer on the reservation, because of the limited staff. The Safety Coordinators do, however, work with the Sells Hospital ambulance drivers and the police, who are usually the first responders to traffic accidents and resulting trauma victims.

The Health Aide is assigned to the Papago Children's Home to provide for the health care needs of the young residents. The Children's Home continues to receive referrals from the juvenile courts, social services and from the hospital. These children are usually victims of alcoholic parents, abuse, abandonment, or mistreatment at home. Often times there are more children than the health aide can care for so long hours are spent helping and screening those children. The limited staff at the home are kept busy attending to daily needs of the children, performing tasks of feeding, clothing and counseling them.

Assisting Dialysis Patients

In October 1981 the CHR Program accepted two positions from IHS to use in transporting dialysis patients from reservation communities to the Sells Hospital where they travel to Tucson, Arizona to receive treatment. This transportation service includes returning the patients to their homes. There are approximately 19 dialysis patients on the reservation, and some require transportation from the furthest areas of the 4,000 square mile reservation.

Background Information

The CHR Program staff roster calls for a Program Director, an Assistant Program Director, one Administrative Assistant, four Field Supervisors, two Safety Coordinators, one Health Aide, two Drivers for dialysis patients, and twenty-three CHR Field Workers.

The program serves the entire Papago Reservation, which includes four separate reservation bodies. They are Gila Bend, comprised of 10,400 acres; San Xavier, 71,095 acres; Florence, 20 acres; Sells (main reservation), 2,744,894 acres. The population of the areas exceeds 10,000 people.

The number of people served by the CHR Program averages 3,000 per month. The total number of active caseloads is 3,593; 463 males and 2,130 females. Although new patients are added to the caseload, many patients are repeaters or reappointments, and many are also treated for other health problems.

The statistics don't reflect the total patient visits at clinics or hospitals, but only the encounters made by CHRs.

Funding for the Papago CHR Program is from Indian Health Services Public Law 93-638 Cost Reimbursement type contract.

Reduction in Budget

Budget cuts that started affecting the CHR Program began in October 1981 and continue to date. The cuts in the budget have resulted in the laying off c .our field supervisors, a health aide, two safety coordinators and the two drivers for dialysis patients.

Fiscal Year 1981 Statistical Report

HOME VISITS:

1. Total Number of Home Visits: 10,388
2. Total Number of People Visited: 24,905

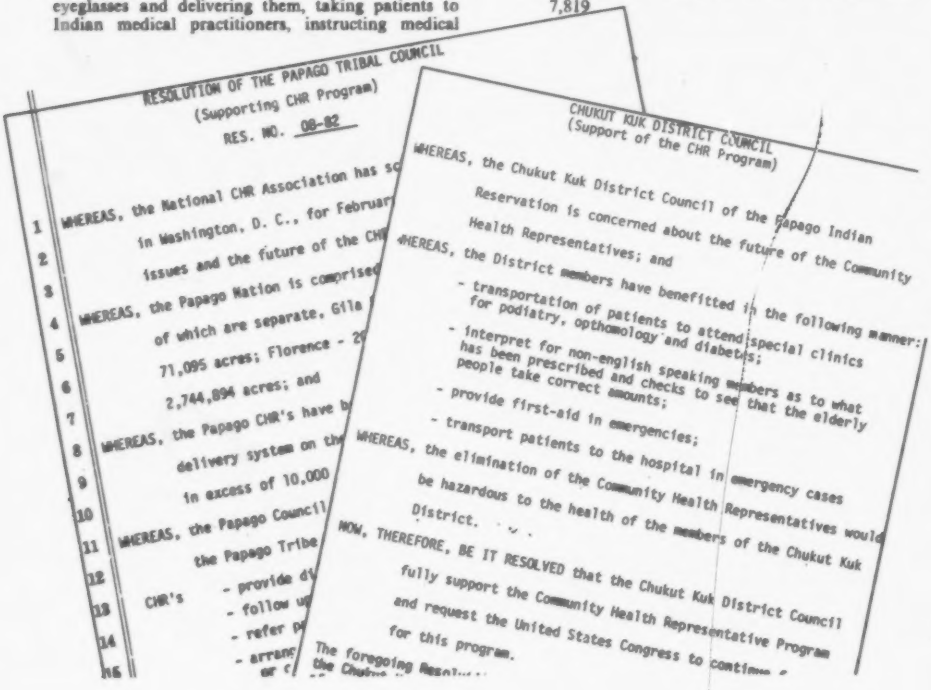
SERVICES PROVIDED:

1. Making Appointments
   a. General Clinic: 107
   b. Specialty Clinic: 484
   c. Dental Clinic: 309
2. Messages
   a. Received: 2,360
   b. Delivered: 3,334
3. Medications
   a. Picked up and Delivered: 428
   b. Refills Picked Up and Delivered: 824
4. Special Medical Supplies/Equipment Delivered: 244
5. Follow Up
   a. Discharged Patients: 68
   b. Patient Referrals: 28
6. Skin Test Readings: 50
7. Other Direct Services

Taking throat cultures, taking vital signs, picking up eyeglasses and delivering them, taking patients to Indian medical practitioners, instructing medical instructions, assisting for funeral arrangements, interpreting for patients/physicians, etc.: 5,504

PATIENT TRANSPORTATION

1. General Clinic: 3,227 Specialty Clinic: 3,213 Dental: 663
2. Escorts for Patients: 1,500
3. Patients for Admissions: 170
4. Returning Discharged Patients Home: 287
5. Patients to Indian Medical Practitioners: 213
6. Visitors to the Seriously Ill
   On Reservation: 134 Off Reservation: 62
7. Emergency Patients -
   To Clinic: 39 To Hospitals: 168
8. Meeting Ambulances for Patients: 42
9. Meeting Bus for Specialty Clinics Off Reservation:
   a. Tucson Hospital, i.e., Veterans Hosp., St. Mary's Hosp., Kino Comm. Hosp., etc.: 147
   b. Phoenix Indian Medical Center in Phoenix, Arizona: 336
   c. Other Off Reservation Hospitals: 36
10. To Other Health Programs/Health Resources: 7,819



RESOLUTION OF THE PAPAGO TRIBAL COUNCIL
(Supporting CHR Program)
RES. NO. 08-82

WHEREAS, the National CHR Association has sc
in Washington, D. C., for Februar
issues and the future of the CH
WHEREAS, the Papago Nation is comprised
of which are separate, Gila
71,095 acres; Florence - 2
2,744,894 acres; and
WHEREAS, the Papago CHR's have b
delivery system on th
in excess of 10,000
WHEREAS, the Papago Council
the Papago Tribe
CHR's - provide di
- follow u
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CHUKUT KUK DISTRICT COUNCIL
(Support of the CHR Program)

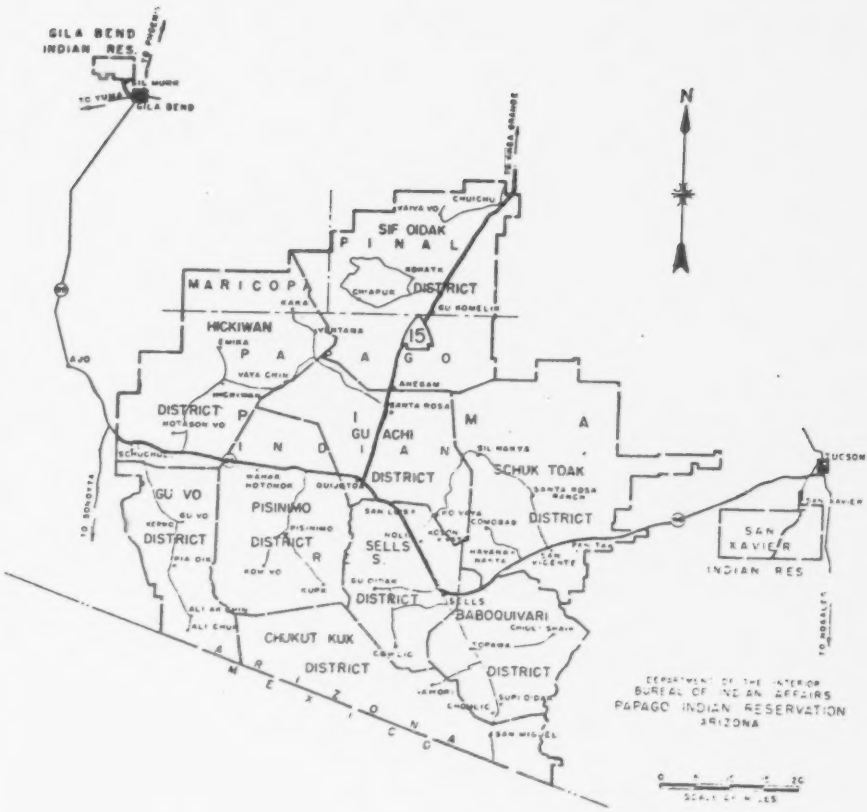
WHEREAS, the Chukut Kuk District Council of the Papago Indian Reservation is concerned about the future of the Community Health Representatives; and

WHEREAS, the District members have benefitted in the following manner:
- transportation of patients to attend special clinics for podiatry, opthamology and diabetes;
- interpret for non-english speaking members as to what has been prescribed and checks to see that the elderly people take correct amounts;
- provide first-aid in emergencies;
- transport patients to the hospital in emergency cases

WHEREAS, the elimination of the Community Health Representatives would be hazardous to the health of the members of the Chukut Kuk District.

NOW, THEREFORE, BE IT RESOLVED that the Chukut Kuk District Council fully support the Community Health Representative Program and request the United States Congress to continue
for this program.

The foregoing Resol...
the Chukut ...


GILA BEND INDIAN RES.
GILA BEND
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N
SIF OIDAK DISTRICT
MARICOPA
HICKIWAN
15
PAPAGO
DISTRICT
GUCHI INDIAN DISTRICT
SCHUK TOAK DISTRICT
TUCSON
SAN XAVIER INDIAN RES
GU VO DISTRICT
PISINIMO DISTRICT
SELLS
CHUKUT KUK DISTRICT
BABOQUIVARI DISTRICT
TO SOMOTTA
TO ROSALIE
ARIZONA
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
PAPAGO INDIAN RESERVATION
ARIZONA

POSITION PAPER
COMMUNITY HEALTH REPRESENTATIVE PROGRAM
INDIAN TRIBES OF OKLAHOMA & KANSAS
FEBRUARY 16, 1982

HISTORICAL BACKGROUND:

Public Law 83-568 enacted in 1955 established the Indian Health Service as a branch of service to carry out the historical and traditional obligation of the Federal Government in providing health services to Native Americans. In order to reduce obstacles to providing these services imposed by cultural, language and geographical barriers, the Congress established the Community Health Representative Programs in 1969. These were to be operated by Indian tribes with employees deemed to be the best qualified for the various responsibilities involved. Since that time, the Community Health Representative Program (CHR) has evolved into an efficient organization, considered to be an extension of the Indian Health Services provided through hospitals and clinics. Problems of recognition arose from insufficient or inefficient reporting system that resulted in difficulties in justifying programs annually to the Congress for budgeting. The Senate Committee on Appropriations stated that "increased direct services provided through new and replacement hospitals and clinics and associated staffing increases should reduce the need for CHRs". Consequently, the President's Administration is recommending discontinuation of the CHR program for Fiscal Year 1983. It is the position of the tribes that this program is justified and an essential part of the efforts of the Indian Health Service to carry out its obligations to the Native Americans and in allowing for the maximum input of the Native Americans in the delivery of services to themselves. This document attempts to instill the opinion that the CHR Program is a viable and essential extension of health services.

GOAL OF THE INDIAN HEALTH SERVICE:

The goal of IHS is to improve the health status of the Native Americans, Eskimos and Alaska Natives to the highest possible level and at the same time to provide for the greatest extent of participation of Native Americans, Eskimos and Alaska Natives in the delivery of these services to themselves.

GOALS OF THE COMMUNITY HEALTH REPRESENTATIVE PROGRAM:

1. Reach into areas, as extensions of IHS, which are not reached by IHS.
2. Improve the quality of life of the Indian people.
3. Overcome barriers preventing progress toward the achievement of IHS goal.
4. Lengthen the lifespan of the Indian people.

OBJECTIVES OF THE CHR PROGRAM:

Progress in achievement of the goals of the CHR Program can be measured by the attainment of the following objectives:

a. Operate an Emergency Medical Service Program in rural areas.
b. Contribute to improving cost effectiveness in delivery of health care through effective outreach services.
c. Continued followup in the homes to assure early detection of illness and understanding of and compliance with medical directives.
d. Continued provision of home health care.
e. Contribute to overcoming language barriers.
f. Develop understanding of behaviors attitudes culture and other differences between clients and health care providers.
g. Continued health screening programs for Indian people in their communities and schools.
h. Expand the knowledge of the Indian people in environmental and preventive health.
i. Continue to assist the elderly and very young through social services and assistance programs.

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PROGRAM SERVICE INDICATORS

Statistics show the contribution of the CHR Program towards the Indian Health Service goals and objectives of the program. The following shows a combined total of health areas for the Oklahoma Area based on the CHR Activity Reporting System, FM4 Gila River Corporation, Chandler, Arizona. Out of the total (75) health areas, we listed the top five (5) health areas as follows:

134,484 - Senior Citizens: Services provided were: Homevisits to check on clients health condition, monitoring of blood pressures, verifying medical appointments or delivery of medications, groceries, paying bills or rescheduling of appointments; transporting to and from medical facilities; assisting and interpreting for Senior Citizens when applying for Social Security, Medicaid, Medicare, etc.

100,805 - Hypertension: Services provided were: Sponsoring of blood pressure screening clinics in the community; keeping a record of blood pressures of hypertensive clients and reporting to doctor; counseling and instructing clients in the importance of staying on diet and taking of medication; making appointments or rescheduling; delivering of medication, etc.

123,211 - Eye: Services provided were: Counseling and instructing on care of the eye to all age groups; sponsoring eye screening in the schools; setting up glaucoma eye screening in the Senior Citizen Centers; transporting clients to medical facilities for special eye clinics for cataracts and other eye problems; eye refractions, etc.

99,386 - Diabetes: Services provided were: Counseling and instructing diabetics on staying on prescribed diet, personal hygiene, taking medication, keeping medical appointments; sponsoring diabetes screening clinics in the communities, etc.

50,815 - Heart: Services provided were: Transporting to medical facilities for appointments; monitoring of blood pressures; homevisits to check on cardiacs living alone; counseling and instructing in importance of taking medication; keeping of appointments, change of lifestyle due to illness, etc.

Documentation shows that in the past four years 1,900,289 contacts were made in the 75 health areas designated by the CHR Activity Reporting System.

SUMMARY:

It is the position of the Indian Tribes of Oklahoma and Kansas that the Community Health Representative Program should be continued. It is a vital program and essential to the achievement of the IHS goal and the general welfare of the Indian people. There has been an extensive curtailment of IHS programs, especially in preventive and field health, leaving only the CHRs to provide outreach health services to the Indian people.

The Indian people depend on the CHR programs to interpret their health needs to the providers to help them stablize all health resources in the communities, and to enhance their understanding of the medical services they recieve, no other similar services have been identified as effective and as comprehensive as the CHR program. Elimination of the CHR program will have a staggering effect on the ability of the Indian people to participate in planning and delivery of health services in the manner in which they themselves foresee and understand their needs. The Community Health Representive has contributed significantly to Indian Self-determination.

CLOSING STATEMENT:

The Community Health Representative are dedicated people, and unlike Federal or State counterparts, they do not have job security, the greater salary, and benefits. Yet they wear many hats, play many roles, and thrcugh extensive training and continuous updating of their skills, they have contributed to the increase fo direct health care and have on many occasions saved the lives of Indian people in the field.

Our government to government treaties should in themselves guaranteed continuation of the CHR program. The treaties are the basis for the federal government providing health care in exchange for our lands as long as the grass grows and the waters flow. Yet one of these governments has forgotten about the treaties.

We must build now the foundation of unity, the walls of dedication, using persistence as the roof, like any well designed structure it will carry over from generation to generation, and the health of Indian people tomorrow will be insured by the action of their leaders today.

ATTACHED: Letters of Support and Tribal Resolutions:

SUMMARY
COMMUNITY HEALTH REPRESENTATIVE PROGRAM

I. APPROPRIATION HISTORY

	1979	1980	1981	1982
Appropriation Amt. (millions)	28.4	33.5	36.3	28.8
Average Cost per position	12,900	14,700	15,400	16,000
Supportable Strength	2,200	2,300	2,300	1,800

II. BREAKDOWN OF AVERAGE COST PER CHR POSITION

	1979	1980	1981
Salaries	9,910	10,700	11,000
Fringe	990	1,000	1,000
Travel	1,000	2,000	2,000
Overhead Cost	1,000	1,000	1,400
	12,900	14,700	15,400

III. STAFFING ANALYSIS - DECEMBER 1981

A. Category of Employment

		Totals
1.	Specialist	1,053
2.	Generalists	760
3.	Administrative/Clerical	287
		2,100

B. Breakout of CHRs in Facilities versus Outreach

Hospital/Clinics	285
Outreach	1,528
Administrative/Clerical	287
	2,100

C. Specialty Category

			Totals
Alcoholism	31	Medical Records	14
Audiology	27	Mental Health	37
Community Health Nurse	8	MCH	96
Clinic Aide/Med. Asst./PA	12	Nutrition	32
Dental	42	Nursing (RN & LPN)	61
Elders/Geriatrics	24	Nursing Home Care	27
EMS/EMT	204	Physical Therapy	7
Environmental Health	147	Safety	39
Eye Care	38	Social Services	43
Health Education	22	TB	22
Home Health Aide/Home Health Care	56	Veneral Disease Invest.	12
		OTHER:	29
		TOTAL	1,053

SALARY ANALYSIS

FY 1980	No. CHRs	CHR Salary	IHS
Entry Level Paraprofessional	493	$ 8,500	$11,000 (GS-4, Step 1)
Average Salary Paraprofessional	1,452	9,200	12,700 (GS-5, Step 4)
Average Salary Professional	252	14,500	20,400 (GS-9, Step 4)

Average CHR Salary $10,700

EDUCATIONAL LEVEL OF CHRs

The majority of CHRs (71%) have high school diplomas. All of the CHRs with high school diplomas have received additional training beyond the high school level. Although the CHR program employs mostly paraprofessional personnel they also utilize a cadre of health professionals.

Ten Major Areas of Health Concerns
by Frequency of Services
FY 1981

Table 1

Major Area of Health Concerns	Number of Services
1. Diabetes	144,000
2. Hypertension	101,000
3. Eye	87,000
4. Dental	78,000
5. Arthritis	57,000
6. Hearing	56,000
7. Alchohol/Problem Drinking	44,000
8. Child Care	38,000
9. Prenatal Care	36,000
10. Other Chronic Disorders	35,000
Total	676,000

Note! Social Services Foster homes- Adoptive home Nutrition

Thirteen Major Life Threatening Health Concerns
by Frequency of Services
FY 1981

Table 2

Life Threatening Health Concerns	Number of Services
1. Alcohol/Problem Drinking	44,000
2. Accident and Injury	31,000
3. Child Abuse and Neglect	24,000
4. Stress Induced Disorders	24,000
5. Obesity	24,000
6. Bladder/Kidney	21,000
7. Other Mental Health	20,000
8. Drug Abuse	18,000
9. Home Accidents	17,000
10. Female Disorders	16,500
11. Cancer	15,000
12. Motor Vehicle Accidents	12,000
13. Suicide Attempts	9,000
Total	275,500

In FY 1983 the CHR Program has been proposed for abolishment. The elimination of the CHR program will mean a loss of critical and life threatening health care services to American Indians and Alaska Natives. This represents a major set back in health care delivery on Indian reservations and communities.

BUDGET STATEMENT
CHR PROGRAM - BILLINGS AREA

1.A. 1981 Workload Data
130,900 Services
145,600 Contacts

B. 1982 Workload Data (Projected)
103,300 Services (loss of 27,600)
115,024 Contacts (loss of 30,576)

2.A. Personnel: FY 1981 (see attached)
170 CHR's Total Billings Area
22 Administrative/Clerical
71 Generalists
73 Specialists
159 Currently Filled.

B. Personnel: FY 1982 With Projected Decrease it is difficult to determine what categories will be affected,most. however, it is reasonable to assume that the generalist positions will be reduced first in order to continue providing direct care. A 21% decrease equates to approximately 36 positions less than FY 1981 or 134.

3. Each tribe within the Billings Area have a CHR Program under contract with IHS. There are four programs operating under a Master Contract, two programs are operating under 93-638 contracting authority and two operating under Buy-Indian contracting authority.

Every program is evaluated thoroughly for impact on health problems and reasonableness of budget requests. Every tribe must have the proper mechanism to properly administer the program theough its fiscal operation.

The expected budget restriction will significantly reduce the effectiveness of the individual programs as there will definitely be a reduction in personnel which will have an impact on the amount of services provided. The amount of impact will approximate the reduction; i.e., 21%.

Whereas: The Montana Inter-Tribal Policy Baord has been organized to represent, develop, protect and advance the economic, cultural and political welfare of Indian people in the State of Montana; and

Whereas: The Tribal Governments have been informed that in President Regan's FY83 proposed budget to the U. S. Congress, the Community Health Representives (CHR) program has been terminated for allocations, and

Whereas: On many reservations Tribal governments have had to, in light of the FY82 budget, reduce the CHR program personnel or place the existing personnel on a four (4) day work week due to a twenty-one (21) percent reduction of funding, and

Whereas: Tribal governments strongly agree that the CHR program is an essential health service provider and has already suffered a fair share of budget reduction, now

Therefore Be It Resolved: The Montana Inter-Tribal Policy Board does hereby oppose the termination of the CHR program as proposed in the Administration's FY83 budget and urges Congressional support to restore the CHR's funding level to at least the FY82 level.

Be It Further Resolved: The Montana Inter-Tribal Policy Board does unanimously agree that as an example the proposed termination of the CHR program does eliminate the social safety net that President Regan promised would remain intact.

ADOPTED BY THE MITPB ON FEBRUARY 18, 1982
SIGNED COPIES CAN BE OBTAINED FROM THE MITPB

SYLVESTER KEMBLE — Chairman
STEVE L. PENSONEAU — Vice-Chairman
HELEN OVERLAND — Secretary-Treasurer

Ponca Tribe of Oklahoma

Box 2, White Eagle ⧫⧫ (405) 762-8104 ⧫⧫ Ponca City, Oklahoma 74601

RESOLUTION

Resolution No. 19FY 1982 February 11, 1982

WHEREAS, the Ponca Tribal Business Committee, the duly elected and governing body of the Ponca Tribe of Oklahoma, recognizes a strong need to provide Community Health Service to its members, and

WHEREAS, the Indian Health Services, Oklahoma City Area, presently available for the Community Health Representative Program under the provisions of the Buy Indian Act, and

WHEREAS, without such Community Health Representative Programs, the needs of the Indian people would not be met, and hardship and loss of services would result, and

WHEREAS, presently there is a national mood in the country to terminate federal programs like the CHR programs, in the name of national economic recovery;

NOW, THEREFORE, BE IT RESOLVED, that the Ponca Tribal Business Committee herewith wishes to state that it whole - heartedly supports the concept and the implementation of the Community Health Representative Programs, and the Ponca Tribal Business Committee also states that without such vital health programs as the CHR program the health needs of the Ponca people would not be met.

CERTIFICATION

The above resolution was adopted and approved on the 11th day of February, 1982, by a legal quorum of the Ponca Tribal Business Committee by an affirmative vote of 5 for, 0 against, 0 absent.

Sylvester Kemble
Sylvester Kemble, Chairman
Ponca Tribe of Oklahoma

Steve L. Pensoneau
Steve L. Pensoneau, Vice-Chairman
Ponca Tribe of Oklahoma

Helen Overland
Helen Overland, Sec./treas.
Ponca Tribe of Oklahoma

Eugene Brown Sr.
Member

Darwin Thompson
Member

UNITED INDIAN TRIBES OF WESTERN OKLAHOMA & KANSAS

BOARD RESOLUTION # 81-1

A resolution, duly adopted by the Executive Committee of the (23) United Indian Tribes of Western Oklahoma and Kansas stressing the necessity to continue the "Community Health Representative Program."

WHEREAS, the "Community Health Representative" program has proven to be a very important element in the total health delivery system throughout Indian Country, and

WHEREAS, the Community Health Representative employee is a qualified individual certified by the Indian Health Service to perform Training and Education within the Grassroots of Indian Country, and

WHEREAS, this program provides services in rural areas where Health Education is totally non existent therefore, is vitally essential for the continued well being of Indian people, now therefore,

BE IT RESOLVED, the United Indian Tribes of Oklahoma and Kansas vehemently urge the continuation of adequate funding for the "Community Health Representative" program.

- CERTIFICATION -

I, Newton Lamar, President of the United Indian Tribes, hereby certify and affirm that this resolution resolves the Action taken by the Executive Committee on February 16, 1982.

Newton Lamar, President

Dan Little Axe, Executive Director

KIOWA NO. KBC-82-12

RESOLUTION

RESOLUTION OF THE KIOWA TRIBE OF OKLAHOMA IN SUPPORT OF THE COMMUNITY HEALTH REPRESENTATIVE PROGRAM.

WHEREAS, the Kiowa Tribe of Oklahoma is a federally recognized tribe, and

WHEREAS, the Kiowa Business Committee is authorized, pursuant to the Kiowa Tribal Constitution, to engage in tribal matters on behalf of the Tribe, and

WHEREAS, the Kiowa Business Committee realizes the need for continued services to the Indian people currently provided by the Community Health Representative Program.

NOW THEREFORE BE IT RESOLVED, that the Kiowa Business Committee hereby authorizes and supports the submission of the Fiscal Year 1982 Community Health Representative Program Proposal to the Oklahoma City Area Indian Health Service.

BE IT FURTHER RESOLVED THAT, the Program Coordinator, under the direction of the Tribal Administrator, assumes the responsibility for the program development, implementation, and administration.

CERTIFICATION

The foregoing resolution was duly adopted at a Regular Monthly Kiowa Business Committee Meeting held on February 6, 1982 at the Kiowa Complex, Carnegie, Oklahoma, by a majority vote of 6 for and 0 against, with a quorum present.

ATTEST:

Libby Cottschief
Secretary

Bradley Wan
Chairman

BILLINGS AREA IHS
Allied Health Worker/CHR Salary Ranges

Job Category	Low	High	Average of all Trib
Administrative			
Supervisor/Director	10,218.00	16,016.00	$13,038.00
Assistant Supervisor/Director	9,984.00	14,373.00	11,101.65
Secretary	7,509.00		7,509.00
Secretary/Bookkeeper	8,464.00	11,654.00	10,061.00
Accounting/Administration			10,819.00
Tribal Program Coordinator			9,334.00
Generalist	7,030.00	10,400.00	8,272.00
Specialties			
Maternal, Child Health	7,522.00	10,728.00	9,723.00
Optometric Aide	7,890.00	10,816.00	9,219.99
Diabetic Aide	7,689.00	8,902.00	8,253.00
Transportation	7,360.00	10,218.00	8,207.00
Ambulance Driver /Attendant	8,320.00	8,736.00	8,422.00
Ear Care (ENT)	7,689.00	9,540.00	8,555.00
Mental Health	9,295.00	13,910.00	10,947.00
Sanitation/Environmental Health	7,487.00	10,728.00	9,650.00
Safety Officer			9,216.00
Youth Activity	7,509.00	9,593.00	8,551.00
Senior Citizen Specialist			9,731.00
Physician's Assistant			16,830.00
Registered Nurse			11,388.00
Dental Health	7,408.00	8,556.00	7,956.00
Physical Rehab.			8,556.00
Health Education Aide	8,556.00	10,218.00	9,387.00
Patient Advocate/Outpatient	7,360.00	9,075.00	8,085.00
Tribal Program Coordinator			9,334.00
Child Protection			7,509.00
Head Start/MCH			9,540.00
T.B.			9,540.00
Kidney Dialysis			10,400.00
Nursing Assistant			7,487.00

Senator MELCHER. I want to thank you personally for your work with CHR's. I want to thank the national organization for their work with CHR's, and I want to thank each of them—that is through you, each individual of CHR. I think the outstanding success of CHR has been echoed today by Dr. Exendine in his personal judgment, not what is in the budget but in his personal judgment, as to the validity and the absolute wisdom of using CHR's.

I want to thank the CHR members, not only for their compassion and dedication to helping the Indian people on matters of health.

I want to also thank them as a U.S. taxpayer on behalf of all taxpayers for alleviating some of the cost that would otherwise fall as an obligation to Indian Health Service and to other health care requirements under Federal law.

I think that is secondary. I think what is most important, and what we must commend you for would be your primary goal of compassionate, practical interest in helping Indian people on matters of health.

I think that is paramount. That is the most significant contribution of the CHR's. You have a tremendous record.

We are in a little bit of jeopardy here. The program is zero-budgeted. I believe Congress is going to respond as we did last year, and recognize the value of CHR.

I only hope that we recognize it in such a way that will make CHR's more meaningful. It is a rather limited proposal.

I think we had better try to do more than what we did last year in terms of appropriations. I hope that we can. The work that you do is truly outstanding. Thank you very much.

Mrs. WHITE. I extend my appreciation to the aides and the Congressmen and I express my thanks to all of these people.

Senator MELCHER. Thank you.

Senator GORTON [presiding]. I understand that the representative of the Penobscot Tribe must catch a plane. If Mr. Love is here, we would be delighted to hear from him.

STATEMENT OF TIMOTHY L. LOVE, GOVERNOR, PENOBSCOT INDIAN NATION, INDIAN ISLAND, OLD TOWN, MAINE, ACCOMPANIED BY SISTER HELEN McKEOUGH, SCHOOL PRINCIPAL

Mr. LOVE. Now, Mr. Chairman, and members of the committee, I would like to thank you for the opportunity to appear before you today to discuss the fiscal year 1983 appropriations.

The Penobscot Indian Nation is a newly recognized tribe. As you know, this recognition came only after a period of protracted litigation and extensive negotiations over the Maine Indian land claims.

During the years prior to Federal recognition, the tribe—well, it was without the benefit of Federal programs and funding. The only source of government assistance was the State of Maine and State assistance was minimal.

In March 1977, the Penobscots began negotiations with the State and Federal governments on land claims. In 1980, the State of Maine and the United States and the Penobscot Nation entered into a settlement agreement. Section 6(i) of Public Law 96–420, the act provides, in part, that as federally recognized Indian tribes, the Penobscot

Nation shall be eligible to receive all of the financial benefits which the United States provides to Indians, to the same extent and subject to the same eligibility criteria generally applicable to other Indians.

This provision is important. It means that for the first time, we are eligible to receive the benefits of those Federal programs long denied to us.

Section 6(i) does not provide for any special treatment of the Penobscots to make up for the years of neglect and the one exception is the school for our children. The present Penobscot school at Indian Island consists of three wooden structures serving students in kindergarten and grades 1 through 6.

One of the structures was built in 1900; the next in 1925, and the most recent, in 1968. These buildings were to accommodate a total of 56 students. In the 1980–81 school year, 97 students were enrolled, and 100 students were enrolled during the 1981–82 school year.

For the 1982–83 school year, 114 students were projected to be enrolled. Thus, the school enrollment has been growing at an annual rate of 8 percent.

The school must accommodate more than twice the number of students for which it was designed. The Penobscot falls far short of meeting Federal and State minimum pupil space requirements.

In a letter dated February 3, 1982, which is appended to my statement as exhibit A, the acting chief of the Bureau of Indian Affairs facility staff said none of the classrooms come close to providing the square feet per pupil recommended by the bill. Sixty square feet per pupil for grades 1 through 4, and 30 square feet for pupils grades 5 through 6.

As a result, the Bureau of Indian Affairs has found that 92.6 percent of the students on Indian Island—they are unhoused—and the school has been ranked seventh on the Bureau of Indian Affairs school construction priority list for 1983.

Our tribe must replace that schoolhouse with a modern structure accommodating all students of the reservation in kindergarten through grade 9. Although we would like to educate our high schools on the reservation as well, we recognize this would not be sound educational policy.

The bureau indicated funds for funding and design of a new school likely will be provided in the near future in the planning and design phase completed in September 1982. If the planning and design phase is completed in a timely manner, construction could begin as early as the spring of 1983. A new school would probably cost $3 to $4 million.

At this time, I would like to ask Sister Helen McKeough, principal of our school, to go over some details of the situation we face.

Mrs. McKeough. In order to help the committee appreciate how urgently we need a new school, we have brought with us some photographs of the school and the classrooms and other facilities which we hope you will examine and include in the record of these hearings.

Let me supplement the story told by the pictures with some specific examples of the problems we face in trying to provide a sound education for our youngsters.

Due to the terrible overcrowding of the wooden buildings, early childhood and kindergarten classes are held in a rented log cabin

building. This cabin has inadequate space and facilities for the children, and is more than 1¼ miles from the Indian Island school. The distance between the school and the log cabin requires a separate kitchen staff to provide meals for the students in the two locations, increasing the cost of the school system.

In addition, these young students are not receiving the best education and experience since they are isolated from the rest of the student body.

In his letter, Mr. Latta described, as well as anyone could, many of the inadequacies of the Penobscot school.

For example, the space formerly used for the library is now a classroom because of the increased enrollment. Library books are now stacked in the classrooms. Until the addition of the 6th grade room, only one toilet for girls and one for boys was available. Two additional restrooms were added, but are still inadequate for the 100 students and the staff. The classroom addition had to be put over the kitchen and food storage area. A fire in the kitchen area would be under this room.

The kitchen also has no dishwasher and very little food preparation space. The freezer and food storage space is also inadequate. The very small multipurpose room serves as a dining room and physical education space. Using it for breakfast and lunch reduces its availability for physical education classes. No showers, dressing rooms, or spectator area are included.

The lack of storage space and office space is also another serious handicap. Teaching materials are stored in passageways already too narrow to meet safety codes. The principal's office affords no storage space, no work space for the secretary or privacy for conferences. This is true also of the closet space used for a special education room.

Even with these words and pictures, I am afraid that I cannot describe vividly enough for you the inadequacies of this facility. I have been a teacher for 20 years, and I have taught under many different kinds of trying conditions, but never any to compare with these.

In our 5,511 square feet of space, we must now teach, feed, exercise, and otherwise care for 100 children. That is less space than will be used for the basketball court in a new school to meet Bureau of Indian Affairs standards. It is less space than the Ways and Means Committee hearing room in the Longworth Building.

Please try to imagine, if you can, how impossible it is to provide a decent education for more than 100 young children in that little space under those kinds of conditions.

I would like to present one of our Indian Island school students, a member of the Nation, Rene Francis.

Ms. Francis. Our school building was bounded on two sides by the two main roads of the reservation. There are no sidewalks and the traffic passes within 4 feet of the school. The third side of the building is bounded by the cemetery, and the fourth side is adjacent to a private residence.

The building was constructed in three parts, all of which are poorly insulated, difficult to heat, and unbearably hot in the summer. The newest part of the school is the worst. It was built without proper space, ventilation, or safety. This section originally contained a gymnasium, but shortly after this part of the building was completed, the gymnasium walls buckled. So, we have no gym.

The playground is very small, 12 feet by 35 feet. The equipment has been removed because of the many accidents and injuries occurring. The shortage of space makes the area hazardous whenever there is even a small group of children.

There are no windows, in the offices, no ventilation, and no privacy for meetings for students or parents. There is no space for teachers to lounge except for a 2½ foot counter wedged between catalogs and the duplicating equipment.

There is no auditorium. There are no lunchroom facilities. Please help us build a new school.

Mr. LOVE. Since the passage of the act, the population has increased dramatically. In 1981, the population of 1,473 represented an increase of 70 percent over the 1970 population, and a 19-percent increase over the 1977 population of 1,243. As more members of the Penobscot Nation have returned to Indian Island, the number of school-age children has increased. We expect this trend to continue which means our school situation probably will become even more desperate than it is now.

We appreciate the difficult budget task faced by the committee and the Congress. There are many more worthwhile ways to spend Federal dollars than there are dollars to go around. I know the deficit must be reduced, and our Nation needs a strong defense. We have only one chance to educate our children. We need to build a new school as quickly as is humanly possible.

In addition, in the area of land management, as the committee is aware, the Penobscot Nation was a party to the Maine Indian Land Claim Settlement Act of 1980, Public Law 96–420.

As a result of this act, during the fiscal year in question, the land base we are responsible for will increase thirty-fold—well, from 4,877 acres prior to the settlement to 150,000 acres.

The Penobscot Nation has taken on an awesome responsibility for the management of these new lands. It is a responsibility that we look forward to and are certain we can handle. We have, however, been frustrated by the lack of cooperation on the part of the BIA in our endeavors, well, as the secretary put it, to be the proper stewards of the land. The following data demonstrates this point. In fiscal year 1979, for the priority program areas of forestry, river straight services and wildlife and parks, our budget allocation from the BIA was $280,000, and for 4,877 presettlement acres.

For fiscal year 1982, when the trust lands on the reservations have increased by tenfold to 52,000 acres and through further acquisition, well, it will total 150,000 acres prior to the expiration of the fiscal year.

BIA proposed to cut our budget by almost 10 percent. With some assistance from Congress, the figure was increased, but is still over $500,000 less than the Penobscot Nation conservatively had budgeted the needs. We should point out that we are now almost halfway through fiscal year 1982. We have yet to receive the funding as stipulated by Congress as we are still operating through a continuing resolution at 1981 levels.

We have not yet been able to figure out what formula BIA could have used in basing its fiscal year 1982 request for these areas. They certainly did not use the data we gave them which was based on previous allocations relative to cost versus number of trust acres.

By the beginning of fiscal year 1983, we will have acquired the 150,000 acres of trust land. We foresee no increase in land management funding from the BIA. To the contrary, the BIA is expecting us to manage 30 times more land at presettlement funding levels.

I request, and our request is conservative for fiscal 1983 for the confined areas of forestry, real estate services, wildlife and parks, and it is $1.578 million.

We are more than willing to share the formula that we used to reach the total with the committee which we understand the BIA is not willing to do. Please consider the services we provide under these programs.

Our real estate service department must perform environmental examinations, assessments, statements of impact, probate cases, property rights cases, realty management counseling service and subservice leases, land use claims, appraisals, acquisition disposal, rights of way, lease compliance, State distribution, title examination and reports, ecological clearance, membership review, and land and water data surveys.

Our wildlife and parks department has its primary goal—conservation of wildlife resources, and the enforcement of of fish and wildlife regulations over the Penobscot Nation, the State of Maine and the Federal Government.

This division is involved in boundary line maintenance, recreation and area maintenance, and we are in need of establishing three small substations to insure our responsibilities are being carried out. The jurisdiction of lands under wildlife and parks has increased to over 60,000 acres.

Our forestry department's responsibilities include forestry inventory, forestry development, timber harvesting, timber improvement, timber sales, forest protecting, training, and use of forest fire fighting crews, assistance to loggers, technical assistance to individuals, and development of an overall forest management plan.

We also need to increase our culture program, and to insure our forests are not wiped out by the spruce budworm which infests much of the forest in northern Maine.

If we do not get an increase in our land management funding, then we are not going to properly prevent disease and fire and protect the valuable resource. We can also see conflicts arising with the surrounding non-Indian communities.

Senator GORTON. I have to ask you to summarize this.

Mr. LOVE. We can also see conflicts arising from the surrounding community because if we cannot carry out our responsibility, we will be forced to simply close off the land. We do not want to do this. We are pleased with the relationship that we are developing with the non-Indian community. We want to do all we can to see that it continues to improve.

In summary, we will do all we can to be responsible land-holders and demonstrate to the citizens of Maine and the U.S. Congress that the Settlement Act was in the best interests of all of the people of the State.

We do not think the BIA is being realistic in its expectations of our ability to manage such a quantum increase in acreage without any corresponding increase in our funding. We ask the Indian Affairs Com-

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The Las Vegas Paiute Colony is in a state of transition, caught between a traditional way that the Federal policy of termination sought to destroy or diminish in the 50's, and the new efforts towards self-determination that we have begun to move towards in the '70's. Our young people are the victims of progress—of Federal policy that changes with each and every administration. One administration tells us we are uneducated savages to be turned into farmers or tourist attractions; another tells us we are to move to the cities, to be turned into factory workers. The next administration tells us to build our own Tribal government, and then the next administration tells us we have created a much too large public sector and must somehow, someway create a private sector to stabilize the public sectors.

The Las Vegas Paiute Tribe and many other tribes of similar size across the United States today face a dilemma of unheard proportions. With the proposed transfer of the various Federal grant programs to State control, the Las Vegas Paiute will potentially lose up to 30 percent of its current funding availability. This we perceive will be brought on by the inability of small tribes, such as the Las Vegas Paiute, to retain or prepare tre necessary and extremely complicated reports and requirements that are necessitated through the grant systems, not to mention the inability to compete with sophisticated cities and towns.

The following represents testimony by Mr. Carmen Patrick, Council Member, Las Vegas Paiute Tribe:

My name is Mr. Carmen Patrick. I am presently serving as a Council Member of the Las Vegas Paiute Tribal Council for the Las Vegas Indian Colony.

My personal goal has always been to promote unity among the Indian community. My main concern presently has been for the Health & Welfare of the Indian people, mainly the Senior Citizens and the children. Presently, I feel that they have not been receiving adequate health care!

It is very important to the Tribe to get an Indian Health Clinic here in Las Vegas, NV., to serve the Southern Part of the Indian population in Nevada. The need for a Health Clinic here in Las Vegas is a must.

This country is supposed to be a democratic nation with equality for everyone, but yet, this is not so! So far, when it comes to receiving adequate Health Care or any other kind of help; the Indian people are put on the bottom of the list with the African, Latin, Spanish, Korean, and Cuban communities coming before us.

I am not asking from want or need for myself. I want to know about the great American Dream that all white men talk about. All I am asking is that the Indian People be given an even share of that Dream.

After all, we are also tax payers and we would like to see our tax dollars at work. We paid our debt to society by sending our fathers and sons to fight for country, with many of them never returning. We are refugees of all the great Indian Wars over 150 years ago. We have not been rehabilitated or educated by the white man.

There has been a lack of communication between the B.I.A. and the Indian Tribes concerning our health problems. How long does the American Indian have to wait? Until the year 2001!

I would like to apologize for taking up so much of your time and would like to thank you for listening to our needs; and I hope that now, maybe, some action will be taken.

In conclusion, the Las Vegas Paiute Tribe is willing, and is prepared to support an economic recovery program for America, but to do so, it must first be able to perpetuate its own existence. It cannot sustain further cuts in Indian Program budgets which directly effect the survivability of our people. For this is not a question of how much additional money we can receive for Health and Education and Economic Development and Improved Government, but it is a question of maintaining what is there now for our survival. If this does not come to be, then what we see in the dawn of tomorrow is the demise of our Tribe.

The Administration for Native Americans under the Department of Health and Human Services is one of the few agencies that has contributed substantially towards the goals and objectives of the Las Vegas Paiute Tribe. Without this organization it would be virtually impossible for our Tribe to have achieved what little economic self-sufficiency and better government that we have been able to attain to date. The ANA represents a valuable tool in the self-sufficiency process. ANA needs continued funding and, in fact, levels for that agency should be increased in the budget to further stimulate and perpetuate its goals.

Thank you.

Senator DECONCINI. Next, we have Liz Yellow Bird Demaray.

STATEMENT OF LIZ YELLOW BIRD DEMARAY, ASSISTANT DIRECTOR, INDIANS INTO MEDICINE, UNIVERSITY OF NORTH DAKOTA

Ms. DEMARAY. Now, Mr. Chairman and members of the committee, thank you for this opportunity to appear before you. The program is requesting your consideration for its continuation as the line item in the Indian Health Service budget with the ability to award new scholarships each year. The phaseout of the manpower programs and scholarships, comes at a time when the quality and quantity of qualified applicants has started to reach a level to be cost effective.

Indian medical students still have the highest dropout rate in the Nation in medical school, hence, the need for support programs such as INMED. The first 5-year positions in our medical school are for Indian applicants, and the tribal appointments of representatives to our advisory board to set tribal policy for the INMED program are unique.

INMED has proven that it can produce fully qualified medical school candidates and successful medical school graduates as well as nurses and other health personnel. Since our first medical graduate in 1976, we have produced 25 physicians, 1 dentist, 1 nurse and 1 master of public health. Of the 12 health professionals now practicing medicine, 9 are working or have worked at Indian Health Service, but in an IHS contracted program or facility. The commitment by the school of medicine to offer five positions annually to enter freshman students has been instrumental toward INMED's successfully placing such numbers.

INMED's results have been unparalleled thus far. While achieving these accomplishments, INMED has made every conscious effort to remain cost-effective, the program has kept its administrative costs below 30 percent of the total program budget.

The remaining 70 percent have been programed for functions oriented toward direct services for the students of INMED.

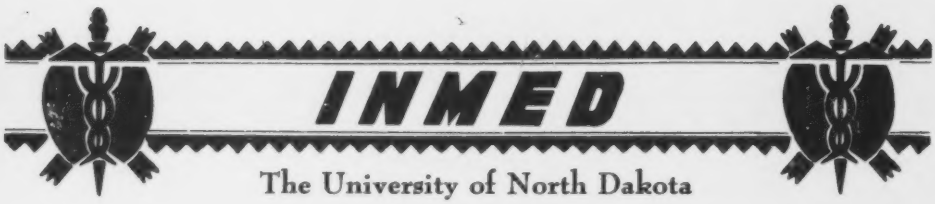
INMED's cost to educate one physician is well below the national averages. The program's annual student retention rate has been maintained at 80 percent or better. INMED's request to remain within the purview of the Indian Health Service comes after finding a lack of alternatives to funding health, for scholarship and training programs.

Thus, we wish to make Congress cognizant of the fact that of the importance to retain title I of the Indian Health Care Improvement Act and other enabling legislation that provide any of the remaining means by which Indian Health Service can augment the inadequate number of health professionals who, because of the same cultural background, are more likely to stay and serve Indians.

Through your continued support and cooperation, we have received from the university the Indian tribes and Indian organizations such as NTCA, NCAI, NIEA, and NIHE. We hope to remain as a viable means to provide the quantity and quality of health services to the American Indian people that all Americans deserve.

Senator DECONCINI. Thank you. Your full statement may be included in the record at this point.

[The statement follows:]



The University of North Dakota

BOX 173
GRAND FORKS 58202
PHONE 777-3037

TO: Honorable William Cohen
United States Senate
Senate Select Committee on Indian Affairs

FROM: American Indians into Medicine Program (INMED)
School of Medicine
University of North Dakota
Grand Forks, North Dakota

Hearning Date: February 26, 1982

WITNESS: Elizabeth Yellow Bird Demaray, Assistant Director
American Indians into Medicine Program (INMED)
Box 173 - University Station
Grand Forks, North Dakota 58202

REQUEST:

The INMED Program is requesting your consideration for its continuation as a line item in the Indian Health Service budget with the ability to award new scholarships each year. The phase out of the manpower programs and scholarships comes at a time when the quality and quantity of qualified applicants has started to reach a level to be cost effective. Indian medical students still have the highest drop-out rate in the nation in medical school, hence, the need for support programs such as INMED. The five first year positions in our medical school for Indian applicants and the tribal appointments of representives to our Advisory Board to set tribal policy for the INMED Program are unique. Please let us continue to serve.

STATEMENT

Thank you for this opportunity to appear before you. My name is Elizabeth Yellow Bird Demaray. I am the Assistant Director of the Indians into Medicine Program, University of North Dakota School of Medicine. I am here in behalf of INMED and its tribally appointed Advisory Board to request your consideration for the Program's continuation as a line-item within the Indian Health Service budget for Fiscal year 1983. Our request is for $720,000, the funding level at which we were appropriated in FY 81. However, we would remain at the decreased funding level of $200,000 for our Section 102 budget allowances which cover both operational and support services for our Health Professions Recruitment program. (See Appendix: Tab C)

During this current fiscal year INMED has continued to increase its Program and student support services - as requested by our Advisory Board, the medical school and our students. We have attempted to accomplish these activities in spite of the severe cuts to our Section 102 budget. For instance, through a communique to Congress in 1981, IHS indicated that INMED would be allowed to increase our student enrollment to 62 students beginning fall semester 1981. On that basis INMED increased their qualified applicant pool in order to reach these new Program enrollment numbers and are awaiting their acceptance by IHS. The added student scholarships, in addition to increased student educational and living costs, rising inflation, and directives by the IHS Title I offices which increases our number of administrative procedures have necessitated the request to reinstate our part of the budget that would cover these expenses. We also ask that the Program's budget catagories remain as separate line-items for all sections of Title I so that INMED's "total program" concept and a more efficient cost accounting process be maintained. (See Appendix: Tab C)

INMED has proven that it can produce fully qualified medical school candidates and successful medical school graduates, as well as nurses and other health personnel. Since our first medical graduate in 1976, INMED has produced twenty-eight health professionals; twenty-five physicians, one dentist, one nurse, and one Master of Public Health (MPH). By 1985, INMED will have graduated an additional twenty-seven professionals. (See Appendix: Tab A) The current number of medical graduates alone make up approximately 25% of the total number of physicians who have identified themselves as Native American. Of the twelve health professionals who are now practicing medicine medicine, nine are working or have worked with Indian Health Service or in an IHS contracted program or facility. (See Appendix: Tab A) The committment by the UND medical school to offer five positions annually to entering freshmen students has been instrumental toward INMED successfully placing such numbers.

INMED's results have been unparalled thus far. While achieving these accomplishments INMED has made every conscious effort to remain cost effective. The Program has kept its administrative costs below 30% of the total Program budget. The remaining 70% has been programmed for functions oriented toward direct services for the students of INMED. INMED's cost for educating one physician is well below the national average cost of $100,000 as estimated by various medical schools and medical organizations. The Program's annual student retention rate has been maintained at 80% or better. INMED has also

STATEMENT, continued

been invited by the UND medical to help plan and implement reservation based residency programs, thus further impacting health care for Indian tribes.

INMED could not have accomplished their goal without the faith and determination that has been, and continues to be, demonstrated by Congress. One of the latest acts was shown by Senator Andrews from North Dakota; his amendment allowing unexpended annual monies from Indian Health Service Title I scholarships be re-programmed for new student applicants rather than be returned to the U.S. Treasury. The results of this amendment will not only afford increased participation by INMED and other Indian scholarship recipients, but will allow those earmarked monies to be used as intended by Congress.

INMED's request to remain within the purvue of the Indian Health Service comes after some investigation of alternative sources of funding for Indian education. We have found a lack of alternatives for funding health manpower scholarship and training programs. Thus, we wish to make Congress cognizant of that fact and of the importance to retain Title I of The Indian Health Care Improvement Act and other enabling legislation that provide any of the remaining means by which Indian Health Service can augment the inadequate number of health professionals who, because of the same cultural background, are more likely to stay and serve Indians.

Through your continued support and the support and cooperation we have received from the university, the Indian tribes and Indian organizations such as NTCA, NCAI, NIEA, and NIHB, we hope to remain as a viable means to provide the quantity and quality of health services to the American Indian people that all Americans deserve.

Senator DECONCINI. We are aware of the program, and for the record, we have received letters from the dean of the medical school and the Governor in support of your position.

Thank you very much. Our next witness will be Jon Colvin of Arizona. He is from Chinle. He is appearing for himself and also for Nelson Gorman, chairman of the hospital steering committee.

STATEMENT OF JON D. COLVIN, VICE PRESIDENT AND TREASURER, DINEH COOPERATIVES, INC.

Mr. COLVIN. Good afternoon. I am very pleased to be here. I am the vice president and treasurer of Dineh Cooperatives, Inc., a community development corporation serving the Navajo Nation.

The committee staff suggested, in order to combine the testimony that I would have given on Monday, that I go ahead and present both of those statements at this time.

We are the only community development corporation, among those formerly funded by the Community Services Administration and whose activities are currently being closed out by the Department of Health and Human Services' Office of Community Services, which is based on an Indian reservation.

As further discussed in the documents which we have submitted, our basic thrust has been just to begin the development of a private sector within the Navajo Nation where the public sector is all that now exists.

This process in our case is under way in the form of the Tseyi' shopping center's $3 million first phase and the Many Farms farm project, as well as the establishment of a tool and die manufacturing plant to supply General Motors' Packard Electric division, and a 50,000 watt clear-channel commercial AM radio station which would broadcast primarily in the Navajo language and provide the first comprehensive coverage and communications for the reservation's 160,000 residents.

It is not clear whether the last two business enterprises—on which a great deal of effort has already been expended—will ever reach startup due to the abolishment of CSA's Office of Economic Development and, thus, your only source of project planning funds.

These funds are necessary in order to obtain the public and private resources that allow for the actual implementation of our business development plans.

In order to address—on a more permanent basis than many other Federal programs—the Navajo Nation's unemployment rate, which has recently climbed to an astonishing 75 percent as a result of cutbacks in Federal program dollars, we are requesting that the Bureau of Indian Affairs be funded to provide economic development assistance to all tribes. Details are in my written testimony.

Emphasis should be placed, as I think it was under the CSA program, on utilizing scarce Federal dollars to leverage private sector loans and investments that will create lasting partnerships and benefit the greatest number of tribal members.

On the topic of housing, I have submitted a detailed legislative proposal for your review that would establish a block grant program. Let me only state at this point that a possible transfer—and there has been talk of that, of transferring the HUD Indian housing program

to the Bureau of Indian Affairs—is an action currently not favored by a great number of tribes that we have talked to in the Southwest.

Finally, I have also submitted a written statement on behalf of the Chinle Public Schools which I serve as president of the governing board. Geographically, it is the largest Indian school district in the continental United States. It covers approximately 7,200 square miles.

I believe it is the second largest school district as far as Indian enrollment. The materials document our need for increased appropriations under Public Laws 81–815 and 81–874 for school facility construction and impact aid.

Obviously, we are not alone in this. Similar situations exist for most other school districts serving primarily reservation lands. In case it has not already been presented, I have with me a copy of the letter from the Navajo tribal vicechairman transmitting a House memorial and Senate joint resolution from the Arizona Legislature indicating the concern of all the people of Arizona in these important education matters. Thank you.

Senator DeConcini. Your full statement will be included in the record following your oral testimony.

Mr. Colvin. I will now summarize further. This presentation is on behalf of the Chinle Hospital Steering Committee, which I serve as vicechairman, in the Navajo Nation. We appreciate the support of the Senate and, most particularly, yourself Senate DeConcini, over the past 5 years in helping the Chinle Hospital Steering Committee bring much needed hospital services to more than 27,000 people residing in the heart of the Navajo Nation.

IHS occupancy of the hospital is scheduled for May 21. That is just 3 months away. Yet this $22 million facility may not be able to open this year; it may not ever be able to open. The President's fiscal year 1983 budget requests 139 new staff positions for the hospital. This is also addressed in the document presented this morning as Dr. Rhoades' supplemental statement.

This is fine as a phased-in approach to authorizing the 324 positions that we need. However, the President's very same budget requests absolutely no funds to build the homes that are necessary to house the staff members in this very remote area.

When I inquired at OMB on Monday, the response was: Utilize the $47 million appropriated for facilities in fiscal year 1982; $40 million of which had to be added by the Congress.

As both of us are aware—and IHS confirms those funds are already set aside for other uses. They are not just sitting idly. Somebody unfortunately has dropped the ball as far as this project is concerned. There are no houses for rent or purchase within 100 miles of Chinle. A master plan for the hospital housing area is nearly completed.

In fiscal year 1982, the Congress appropriated $336,000 for housing design; a process that should be sufficiently completed this summer for reconstruction activities to begin on the housing.

The funding choices, as we see them, are either: No. 1, congressional authorization for the Indian Health Service to enter into a long-term lease, which the Senate supported last year, so that private-sector funds can be attracted to finance construction; or, No. 2, direct appropriations for construction by the Federal Government, which has been the practice over many years.

The House declined last fall to agree to leasing, and we are now well behind schedule in providing for this housing. Our request, then, for Federal construction comes in two parts. No. 1, in fiscal year 1982, a supplemental appropriation of $7,253,000, approximately, for construction of 88 units. That is enough to house the 139 newly requested positions. A request to address this particular need, as we understand it in talking to Dr. Rhoades this morning, is now being processed within IHS for submission through the department's channels.

No. 2, a fiscal year 1983 appropriation of approximately $10,800,000 for the remaining 131 homes.

I would just like to clarify a point in my written testimony. The two requests just mentioned total 219 units which, when added to the 20 houses constructed last year, equal the 239 units required. Additionally, these figures and those for staffing are slightly higher than the figures coming from the department, but they are needed in order to fully utilize the facility.

Our third request for the Chinle hospital is that Congress increase the authorized positions by 167 to 324 required to operate the facility as planned.

Our last request relates to the entire Navajo area Indian Health Service. The figures indicate the Navajo area provides 22 percent of all IHS in-patient days, 20 percent of all out-patient visits and 35 percent of all IHS deliveries.

This averages to over 20 percent of all IHS services provided nationwide, yet the Navajo area receives only 13 percent of the IHS budget to meet these demands.

In such a large and remote area as the Navajo Nation, IHS provides the only direct patient care services available to many. The subcommittee should inquire into this situation and direct the Department of Health and Human Services and the Indian Health Service to allocate their resources in a more equitable manner.

Thank you very much for your attention.

Senator DeConcini. We are well aware of the problem there, and as of yesterday, I met with Dr. Rhoades, and I talked to him about the hospital and the housing and the staffing problems, and delivered a a letter to him. We will continue to pursue this.

Now, regarding your corporation and this development, what kind of moneys does that generate now above your expenses?

Mr. Colvin. At this point, we only have in real operation on an ongoing basis the one venture—the shopping center. It is making a profit. It has been open now for almost a full year. It will be open a full year in March. In its first year of operation, there will be a small profit—in the neighborhood of $100,000.

Senator DeConcini. What is projected to be done with those profits? Where are those projected to be distributed?

Mr. Colvin. The way that will work is that those profits, and hopefully they will keep increasing, will go back into other projects. They may either be used to expand the shopping center to some extent or they may go into another project. They will be used on a revolving basis to continue to fund economic and community development activities.

Senator DeConcini. Based on the showing of profit, have you made any efforts, or have there been any inquiries, into some other funding of your physical expansion, of that or any other?

Mr. COLVIN. Yes, it has been an interesting thing. When we developed the first phase of the shopping center, we were not getting any attention at all from banks or outside institutions that could provide that sort of funding, and would off reservation. At this point, we have had inquiries from the banks as to whether they can loan us money for the second phase because of the success of the center.

And we also have the same banks wanting to become tenants in the second phase and provide banking services to the Navajo Nation.

Senator DECONCINI. There is some possibility of at least minor funding, but I am sure you would prefer that to be an augmentation of the funding request that you have in your statement.

Mr. COLVIN. For the shopping center itself as a single project, we would hope that we could get by if interest rates go down to some extent, with total debt funding for its expansion. However, for any new projects, we will have to have some equity funding to begin with in order for the project to prove itself and the area to prove itself, whether it is a farm, a manufacturing plant or something else.

We would hope that expansions of those new businesses in later years could be done in a more conventional way without grant-type funding.

Senator DECONCINI. Thank you very much.

Mr. COLVIN. Thank you.

[The prepared statement and other material submitted by Mr. Colvin follow. Testimony resumes on p. 214.]

WRITTEN TESTIMONY

of

JON D. COLVIN, VICE PRESIDENT AND TREASURER
DINEH COOPERATIVES, INCORPORATED
P. O. BOX 569
CHINLE, NAVAHO NATION 86503

presented to the

SENATE SELECT COMMITTEE ON INDIAN AFFAIRS

February 26, 1982

Dineh Cooperatives, Incorporated (DCI) is an Indian-controlled community development corporation assisting the Navaho Nation in establishing high-impact economic and community development projects. These include a community fire department, a demonstration farm, a $40,000,000+ hospital and housing complex, and a full-service shopping center.

My testimony is in support of:

1. At least $10,000,000--though $30,000,000 - 50,000,000 would create a more meaningful impact--of Bureau of Indian Affairs appropriations being used to provide Tribes with the means to directly invest in economic development enterprises in order to create on reservations that much talked about "private sector."

2. Another $10,000,000 or more of the same agency's funds to provide Tribes and tribal organizations with a baseline level of support so they can plan projects in which the funds mentioned above would be invested.

3. The identification and use in this economic institution-building process of Indian entities which have the proven managerial capabilities and successful experience in business development and operations.

4. The inclusion of Indian reservations as Enterprise Zones with the incentives appropriate to their stage of economic development, needs and unique land status.

The emphasis should be placed on locally-developed and controlled businesses which utilize federal funds to leverage private sector loans and investments creating lasting partnerships that will benefit the greatest number of tribal members.

Until its termination last year, the Community Services Administration provided funding to nearly 50 community development corporations throughout the United States. This was done under Title VII of the Economic Opportunity Act through CSA's Office of Economic Development--totally on a demonstration basis as the small number of grantees indicates. Even though most of the organizations which received this assistance have enviable records of success under the most trying of circumstances, the whole program is now being closed out through the Department of Health and Human Services' new Office of Community Services. However, we believe that in terms of cost-effectiveness, Title VII programs were exemplary.

Dineh Cooperatives, Incorporated is the only remaining community development corporation based on an Indian reservation. We might serve as an example of what such an approach can accomplish. Our largest business is the Tseyi' Shopping Center in Chinle. It's $3,000,000 first phase comprising nearly 49,000 square feet has been open for almost a year and is operating profitably and well ahead of projections. We have begun planning the second phase of an eventual 110,000 square feet of retail shops which will employ 250 - 300 local people and serve a trade area of over 30,000. We have more recently initiated a small-scale demonstration farm which is projected to gross $25,000 in hay sales as a visible incentive for community members who would otherwise have to purchase livestock feed at inflated prices in the off-reservation border towns.

In conjunction with the farm we will soon begin a livestock improvement program, which will provide increased family incomes as well as additional revenues to DCI. The profits that flow back to our organization from these business investments will be used in yet additional economic development endeavors.

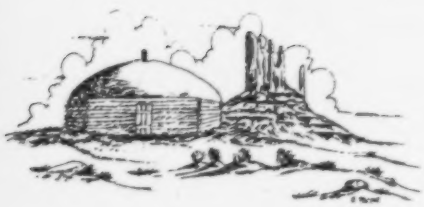
As a necessary adjunct to these businesses, DCI has played a pivotal role working with the Chinle Hospital Steering Committee in obtaining a much-needed comprehensive health care facility. We have also developed community planning documents, which off-reservation are common community planning and development tools, but which are still lacking in 90% of Navaho communities.

Another source of funds being curtailed is the long-authorized and under-utilized Rural Development Loan Fund. The maintenance and use of these moneys would go a long way in developing a self-sufficient private sector base on reservations.

Two other projects are currently under development: the establishment of a tool and die manufacturing plant in the community of Leupp to supply General Motors' Packard Electric Division and a 50,000 watt clear-channel commercial AM radio station which would broadcast primarily in Navaho and provide the first comprehensive means of communications for the Navaho reservation's 160,000 residents.

It is not clear whether these last two business enterprises will ever reach start-up due to the abolishment of CSA's Office of Economic Development and, thus, our only source of project planning funds. These funds are necessary in order to obtain the public and private resources that allow for actual implementation of our business development plans.

Additionally, Dineh Cooperatives, Incorporated's work with Tribes in the West and Southwest has resulted in the attached legislative proposal for an Indian Community Development and Housing Assistance Block Grant Program. While this proposed housing program addresses HUD appropriations, it is important for this Subcommittee to realize the opposition from our part of the country to having HUD Indian housing transferred into the Bureau of Indian Affairs.



NORTH CENTRAL ACCREDITED
CHINLE PUBLIC SCHOOLS
P.O. Box 587
Chinle, Arizona 86503

(602) 674/3481

Walt Zahrt
Assistant Superintendent
Support Services

Bobby L. Folsom
Assistant Superintendent
Education

Russell W. Harrach
Superintendent

WRITTEN TESTIMONY
of
GOVERNING BOARD
CHINLE PUBLIC SCHOOLS
JON D. COLVIN, PRESIDENT
WALT ZAHRT, SUPERINTENDENT
CHINLE, NAVAJO NATION, ARIZONA
before the
SENATE SELECT COMMITTEE ON INDIAN AFFAIRS
February 26, 1982

The Chinle Public Schools would like to thank the Committee for its interest in the education of Navajo students and for the opportunity to present this testimony. We sincerely hope that this brief presentation will provide you with base information or cause you to request further information so that the federal funds for the education of Navajo students might be protected.

The Governing Board and administration of the Chinle Public Schools stands ready to provide any information necessary to support our request for continued funding under Public Law 81-815 and Public Law 81-874.

The Chinle Public School District lies wholly within the boundaries of the Navajo Reservation in Northeastern Arizona. The school district contains 7,200 square miles of mountains, mesas, plains and desert, making it the largest geographical school district in the continental United States. Our district also has the largest Indian student population in Arizona and the second largest in the continental United States.

As a point of size comparison, the following information is presented for your understanding:

Vermont	9,609 square miles
New Hampshire	9,304 square miles
Massachusetts	8,257 square miles
New Jersey	7,836 square miles
CHINLE SCHOOL DISTRICT	7,200 square miles
Connecticut	5,009 square miles
Delaware	2,057 square miles
Rhode Island	1,214 square miles

The people who live, work and go to school in the district drive on only 170 miles of paved roads. About the same number of miles of improved dirt roads exist with the majority of the roads being unimproved dirt. Many miles of bus routes are run on trails across the desert which do not even appear on B.I.A. maps in the area. Roads of this type and the distances traveled increase our transportation costs by 50% or more over urban costs, yet we do not receive extra funds due to these costs.

The current total population within the boundaries of the school district is approaching 40,000 people according to the 1980 census. With the average age on the reservation being under eighteen years, we should have nearly 13,000 students enrolled in our schools. Our current enrollment is only about 4,300 however, which indicates we are losing two-thirds of our students to non-attendance, B.I.A. schools, contract schools, and private schools. The causes of this high loss ratio are many, but the lack of adequate facilities, minimal programs, transportation problems and difficulty in attracting strong teachers because of poor housing need to be stated. Our current drop-out statistics indicate that we graduate only one student of every three leaving junior high school.

PUBLIC LAW 81-815

The Chinle School District has critical needs for funding under this act. We have basically three ways to finance construction of school buildings for the district:

a. Local bonding
b. State aid for capital construction
c. Federal grants (P.L. 81-815)

Local bonding depends upon our assessed valuation which amounts to only $10,000,000. In Arizona a school district may go into debt equal to fifteen per cent of its assessed valuation, or $1,500,000 in the case of the Chinle School District.

Presently the district voters have authorized indebtedness in the amount of $1,300,000, but we are facing real problems selling bonds due to the fact that we are on the reservation and we are limited by the voter to paying no more than 12% interest on the bonds. As will be demonstrated later, the construction needs of the Chinle School District stand at $38,000,000 and will rise with inflation in the future years.

State aid for capital construction has been completely ignored by

the Arizona Legislature under the new finance act. This means an extremely poor district such as Chinle must rely solely on local resources, which have been shown to be virtually non-existent; or, upon the federal government.

Federal grants under Public Law 81-815 funded our recently completed Tsaile Elementary School in the amount of $7,000,000. While this grant has met one need, many needs still exist. The following table indicates the status of our other facilities:

Facility	Date Constructed	Capacity	Enrollment
Chinle High School	1963	350	901
Chinle Junior High	1968	300	552
Chinle Elementary	1958	300	509
Chinle Primary	Facility leased from B.I.A. The next school year will be the last year we can lease the facility as it is scheduled for razing.		
Tsaile Elementary	1980	430	385
Many Farms Elementary	1965	300	461
Round Rock Elementary	1958	150	120
Red Mesa Elementary	1965	250	397
Red Mesa High	1975	350	369

The overflow students shown in this table have been accommodated by the installation of "temporary" facilities which have become a permanent solution to the problem. During the early 1970's the Chinle School District faced bankruptcy and still suffers the consequences of that period. Maintenance needs of the district were necessarily ignored and we now face mandatory expenditures of major proportions to make presently substandard facilities safe for students and attractive enough to be conducive to learning. Many of the "temporary" buildings need outright replacement. Some of the permanent buildings need repair to roofs, foundations, walls and floors due to settling problems.

Another great need of the district is to provide adequate housing for our staff. There is no private housing available on the reservation, thus the district must provide living space. Nearly all of the district housing is in the form of trailers which have suffered the same forced lack of maintenance as mentioned earlier. Approximately 60% of the trailers are critically sub-standard and need to be replaced. The need for adequate housing has a direct relationship to our ability to recruit teachers, and thus upon the quality of instruction for students.

Putting all of our needs together, we provide the following detail:

Chinle High School (complete)	$ 21,000,000.00
Chinle Junior High (addition)	2,000,000.00
Chinle Elementary (addition and renovation)	2,500,000.00
Chinle Primary (remodeling present High School and addition)	3,500,000.00
Many Farms (renovation and addition)	2,000,000.00
Round Rock (renovation and addition)	1,500,000.00
Red Mesa Elementary (addition)	2,000,000.00
Red Mesa High School (addition)	1,500,000.00
Teacherages (replacement)	2,000,000.00
	$ 38,000,000.00

PUBLIC LAW 81-815 CONCLUSIONS

The Chinle Public Schools have suffered from neglect for a number of years. This has been, in large part, due to the financial crisis of the early 1970's. It is also due to inadequate funding in light of

special reservation high-cost items such as transportation and employee housing. The picture for the future is very bleak without continued major assistance.

PUBLIC LAW 18-874

Historically P.L. 81-874 monies have been granted to school districts with federal activity and to districts with a high concentration of Indian students in lieu of sufficient tax base to provide a reasonable level of education. Districts receiving these monies were permitted to spend them above and beyond the existing state school finance act in all states in the nation.

The Arizona State Board of Education has said that P.L. 81-874 funds may not be used beyond the existing finance act. Thus, regardless of the amount of money available, each district is limited to a specific spending authority. This has caused Chinle and other reservation school districts to carry forward unspendable funds which were critically needed to meet existing problems of maintenance and program development.

In the fiscal year 1981-82 the Arizona Legislature attempted to deduct a dollar amount of state aid equal to 20% of the 1980-81 P.L. 81-874 revenues plus 40% of the estimated 1981-82 P.L. 81-874 revenues. This attempt was challenged by Chinle and other districts through the Arizona Indian Education Project with the result that the federal government denied the withholding of the 20% of the 1980-81 revenues because the Arizona finance act was considered inequitable. At this time there has been no decision made concerning the 1981-82 P.L. 81-874 revenues.

It would be in the best interests of students in the Chinle School District if the P.L. 81-874 regulations allowed the full use of the P.L. 81-874 funds by local districts without the threat of loss of state aid. These funds were designed to meet the expense of running districts on federal lands, and such deductions seem contrary to the intent of the act.

If the Reagan administration follows its proposals for phasing out P.L. 81-874 funds over the next three years, it will be necessary for the Chinle School District to close for the following reasons. For fiscal year 1981-82 the district budgeted $3,400,000 in P.L. 81-874 revenues, 30% of our total budget. If this were phased out, and with the assessed valuation of $10,000,000 the mill levy would have to increase by 340 mills or 34% of property value to accommodate this loss. A tax levy of this rate cannot, of course, be accepted by the taxpayers.

Related to this problem is the fact that the Arizona Finance Act provides for about $100 increase per average daily membership. This would generate approximately $350,000 new dollars which amounts to about a 3% increase. This is not even sufficient to meet the normal salary increment for our employees.

PUBLIC LAW 81-874 CONCLUSIONS

The Chinle School District needs continued funding for the operation of the school district. Reductions of funds or the loss of funding will have dire effects on the quality of operation and could force the closing of the schools.

It is imperative that the regulations governing the use of the funds be structured to insure the full use of the funds.

The Chinle Public School District asks that funds under P.L. 81-815 and P.L. 81-874 not be reduced as the existence of the district and the education, safety and well-being of our students are in the balance. Please give full consideration to the information provided and documented through photographs in the appendix.

The Chinle Public School District stands ready to provide further information as requested.

Chinle Hospital Steering Committee
P.O. Box 569-HEALTH
Chinle, Navajo Nation 86503
Phone (602) 674-3411

TESTIMONY OF THE

CHINLE HOSPITAL STEERING COMMITTEE

PRESENTED TO THE

SENATE SELECT COMMITTEE ON

INDIAN AFFAIRS

FEBRUARY 15, 1982

Nelson Gorman
Chairman
602—674-3451

Jon D. Colvin
Vice Chairman
602—674-3411

Since 1977, the Chinle Hospital Steering Committee has taken the lead role to ensure construction of a long-needed comprehensive health care center in Chinle. The Steering Committee not only worked to have the facility constructed as quickly and efficiently as possible, but also successfully served as an advocate of the needs and desires of the Navajo people who will ultimately be served by the hospital. As a result of the Steering Committee's work, the hospital will be completed in June 1982, 4 months ahead of schedule. When open, the facility will provide a wide range of services in a culturally and aesthetically appropriate environment, and will contain a setting for traditional Navajo healing methods.

CHINLE HOSPITAL GOVERNING BOARD

The Chinle Hospital Steering Committee's work will not end with the completion of the hospital. Rather, the Steering Committee is presently preparing for a transition into the Chinle Hospital Governing Board. As currently envisioned, the Board, like the Steering Committee, will be composed of representatives of the communities served by the Chinle Service Unit. The Board will act as a representative of the Navajo people who live within the Service Unit to:

(a) exercise leadership, direction, and control over management and evaluation of all Chinle hospital programs, staff and facilities;

(b) monitor, evaluate and assure high quality medical care, staff performance, and administration standards;

(c) make decisions concerning the acquisition, allocation and utilization of resources which are responsive to community needs and priorities;

(d) participate in the development of long-term strategic plans for the Chinle IHS Service Unit health care system;

(e) approve the hospital medical staff and its organization, including approval of hospital medical staff appointments, privileges, bylaws, and medical standards set by the medical staff.

The Board will, in addition, act in an educational capacity, helping IHS to increase the health-care awareness of the Service Unit residents. The Board will be creating a precedent-setting role that will help ensure that the health care provided by the federal government is responsive to local needs.

THE NEED FOR STAFFING

The Chinle Comprehensive Health Care Facility will provide health care services to over 27,000 Navajo people living within the 3,600 square mile Chinle Service Unit.

The hospital will provide 60 in-patient beds for medical, surgical, pediatric and obstetrical care, renal dialysis, respiratory therapy, physical therapy, and intensive care, as well as expand on the current out-patient clinical services.

The Chinle Comprehensive Health Care Facility was initially funded for planning and design in FY78. At this time, construction of the facility is scheduled for completion in June 1982.

As the Chinle Health Center staff prepares to move from the existing clinic to the hospital facility, it is vital that additional personnel be provided to assure an orderly transition from an ambulatory care-based operation to a combined ambulatory care and in-patient, hospital-based operation.

Major undertakings now facing Chinle Service Unit and Navajo Area Indian Health Service to accomplish this transition are (a) selection, procurement, delivery and installation of $2,500,000 worth of movable equipment, (b) development of policies and procedures for orderly management of the new facility, as well as (c) operation and maintenance of the facility when Indian Health Service assumes ownership of the hospital in June 1982. Many other substantial tasks must be completed if the facility is to meet the goal of attaining certification by the Joint Commission on Accreditation of Hospitals during its first year of operation to assure superior health care.

Currently, eighty positions are funded to staff the Chinle IHS Health Center. Over 90,000 out-patient visits are seen each year at this small clinic and its outlying field locations. Due to this heavy workload, the existing health center staff has little time available to plan and prepare for the significant expansion of services which will occur when the hospital facility is completed and ready for occupancy.

A TOTAL OF 324 ADDITIONAL POSITIONS ARE REQUIRED TO ADEQUATELY STAFF AND OPERATE THE FACILITY ON A FULL SCALE BASIS. 157 POSITIONS (18 AUTHORIZED IN FY82 PLUS 139 NEW POSITIONS) HAVE BEEN INCLUDED IN THE PRESIDENT'S FY83 BUDGET, LEAVING 167 YET TO BE REQUESTED. CONGRESSIONAL SUPPORT OF THE ADDITIONAL FUNDING FOR STAFF AND OPERATION OF NEW IHS FACILITIES IN FY83 IS CRUCIAL. THE CHINLE SERVICE UNIT DESPERATELY NEEDS THE INFUSION OF ADDITIONAL MANPOWER AND FUNDS TO ASSURE THAT THE AFOREMENTIONED TASKS ARE PERFORMED AND THE INVESTMENT IN THE PLANNING, DESIGN, AND CONSTRUCTION OF A DESPERATELY NEEDED HOSPITAL IS NOT WASTED WHEN THE FACILITY IS READY FOR OCCUPANCY IN A FEW MONTHS.

THE NEED FOR STAFF HOUSING

Chinle is an isolated rural community that has a serious housing shortage. There are absolutely no houses available within 100 miles for rent or purchase by any new people who move into the community.

In total, 239 housing units are needed for the facility's professional health care staff. Without housing, the hospital cannot recruit and employ new staff and thus the hospital cannot open.

The President's FY83 budget has totally overlooked this need by not including any funds for the construction of staff quarters. In order for the in-patient portion of the hospital to become operational immediately after completion of construction, these units should have been funded and built prior to the end of 1982.

YOUR HELP, AND THAT OF BOTH APPROPRIATIONS COMMITTEES, ARE NEEDED TO SUPPORT THE INDIAN HEALTH SERVICES' REQUEST THAT $7,253,000 BE APPROPRIATED AS AN FY82 SUPPLEMENTAL TO CONSTRUCT 88 UNITS. THIS NUMBER IS SUFFICIENT TO HOUSE THOSE PERSONS WHO CANNOT BE HIRED LOCALLY OUT OF THE 139 NEW POSITIONS AUTHORIZED IN THE PRESIDENT'S FY83 REQUEST. DESIGN OF THE UNITS, FUNDED IN FY82, IS CURRENTLY UNDERWAY AND WILL BE COMPLETED BEFORE THE START OF FY83.

ADDITIONALLY, AN APPROPRIATION OF APPROXIMATELY $10,800,000 TO CONSTRUCT THE REMAINING 131 UNITS IS NEEDED IN FY83. THESE ACTIONS WILL, AT LEAST, MINIMIZE THE NUMBER OF MONTHS DURING WHICH LARGE PARTS OF THE HOSPITAL WILL BE TOTALLY UNUSABLE DUE TO LACK OF STAFF.

Chinle Hospital Steering Committee
P.O. Box 569-HEALTH
Chinle, Navajo Nation 86503
Phone (602) 674-3411

WRITTEN TESTIMONY OF
JON D. COLVIN, VICE CHAIRMAN
CHINLE HOSPITAL STEERING COMMITTEE
PRESENTED TO THE
SENATE SELECT COMMITTEE ON INDIAN AFFAIRS
FEBRUARY 26, 1982

Nelson Gorman
Chairman
602—674-3451

Jon D. Colvin
Vice Chairman
602—674-3411

APPROPRIATION REQUESTS

An FY82 supplemental appropriation of $7,253,000 for the construction of 88 units of Indian Health Service staff housing is imperative if the Chinle Comprehensive Health Care Facility is to open on time. An FY83 appropriation of approximately $10,800,000 is needed to fund the construction of the remaining 131 units that are required if the hospital is to offer the full range of services for which it was designed and built. One hundred sixty-seven Chinle hospital staff positions must be added to the 139 new positions included by the President in his FY83 budget.

THE NEED FOR STAFF HOUSING

Chinle is a very remote rural community located in the heart of the Navajo Nation. Like many other Indian communities, Chinle suffers a severe shortage of housing. There are no houses within 100 miles that could be rented or purchased by any of the new employees who will move to Chinle to work in the hospital.

For the last two years, the Chinle Hospital Steering Committee has struggled to ensure that there would be adequate housing for the staff of the hospital when it opened. In its efforts, the Committee investigated the funding of housing construction through both traditional private-sector financing and through the issuance of bonds.

The use of these alternatives might still be possible if the Congress were to authorize the Indian Health Service to enter into a long-term lease for the houses. However, in Autumn 1981, Congress declined to provide this authorization. Without Congressionally-approved lease authority, the only remaining choice is direct construction by the federal government.

Two hundred thirty-nine new housing units are needed for the hospital's employees. Without these units, Indian Health Service will not be able to hire the necessary staff, and the newly completed $22,000,000 hospital will not be able to open. Provision of fewer than 239 houses would mean that the hospital will be forced to offer only a very limited level of services. Such a low level of operation would not only deprive the Navajo people of the optimum health care that they deserve, it would also impose hidden costs on the federal government by requiring continued transfer of many patients to distant facilities for care.

At present, a master plan for the hospital site, including the staff housing area, is nearly complete. In addition, in FY82 Congress appropriated $336,000 for design of the housing units. The design contract has been advertised and the work should be substantially finished by this Summer.

However, the President's FY83 budget does not include any funds for construction of staff housing in Chinle. Your help is needed to support the Indian Health Service's request that $7,253,000 be appropriated as an FY82 supplemental to construct the first 88 units of housing. While not a complete solution to the Chinle staff housing problem, these 88 units would be sufficient to house those persons, of the 139 new positions authorized in the President's FY83 request, who cannot be hired locally.

In addition, an appropriation of approximately $10,800,000 is needed in FY83 to fund the construction of the remaining 131 units. These appropriations would at least minimize the number of months during which substantial portions of the hospital will simply sit empty and unused due to lack of staff and housing.

THE NEED FOR STAFFING

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A total of 324 additional positions are required to adequately staff and operate the facility on a full scale basis. One hundred fifty-seven positions (18 authorized in FY82 plus 139 new positions) have been included in the President's FY83 budget, leaving 167 yet to be requested. Congressional support of the 139 newly requested positions and inclusion of the remaining 167 required positions is crucial. The Chinle Service Unit desperately needs the infusion of additional manpower to assure that the aforementioned tasks are performed and the investment in the planning, design and construction of this greatly-needed hospital is not wasted when the facility is ready for occupancy in a few months.

CHINLE HOSPITAL GOVERNING BOARD

Since 1977, the Chinle Hospital Steering Committee, a volunteer group whose members live and work within the Chinle area, has succeeded in obtaining the funds for and construction of a long-needed comprehensive health care facility in Chinle. The Steering Committee not only worked to have the facility constructed as quickly and efficiently as possible, but also successfully served as an advocate of the needs and desires of the Navajo people who will ultimately be

served by the hospital. As a result of the Steering Committee's work, the hospital will be completed in June 1982, 4 months ahead of schedule. When open, the facility will provide a wide range of services in a culturally and aesthetically appropriate environment, and will contain a setting for traditional Navajo healing methods.

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Senator DECONCINI. Our next witness is Joy Sundberg.

STATEMENT OF JOY SUNDBERG, CHAIRWOMAN, TRINIDAD RANCHERIA, TRINIDAD, CALIF., ACCOMPANIED BY CLARENCE BROWN, ATTORNEY

Ms. SUNDBERG. I am Joy Sundberg, chairwoman of the Trinidad Rancheria. I submit the statement.

Senator DECONCINI. It will be included in the record following your oral presentation.

Ms. SUNDBERG. My name is Joy Sundberg. I am representing the Consortium of Coastal Indian Rancherias on the north coast of California which includes Big Lagoon, Berry Creek, and others.

Mr. Brown is with me. Our concern is the lack of information that we have gotten on this realinement of BIA and the consultation with the tribes. There are nearly 201,000 Indians in California, according to the last census population, and more than 80 federally recognized tribes in the State of California.

Our concern is we do not think there has been enough input. We do not know exactly how the money will be transferred. There are many, many concerns in that area.

We are very concerned about this. California has always gotten the smallest portion of money, and we have not been funded according to our population. We have been underfunded by the Bureau.

We are very concerned at this time. We have a land base of five acres compared to several thousand acres, and it is a very poor reservation with no resources. We are talking about 80 reservations altogether, and a lot of indigent Indians, as well as 5 acres. And the largest is 35,000 acres. That is the largest in the State of California.

We are very concerned about the small tribes because of the funding that we have. We are concerned about moving into the Portland area and the Arizona area. I do not know if they would like the tribes to go in there or into the Portland area. We have never gotten our share of anything. We are very frightened at this time. We are certainly going to be kind of pushed aside again.

We feel this is another form of termination. Mr. Reagan promised us that he would—well, in a meeting I attended in Sioux Falls, S. Dak., that he would consult with the tribes. This is not being done at the present time.

I think that we have gotten more out—well, I do not think we have gotten much out of the bureau itself.

One of the other things that I would like to talk about is we object very strongly to the elimination of Indian housing. We have the statistics in the written report about the housing in California. The small tribes have never been eligible for HUD housing. They are too small. They need only two or three units. Most of them do not belong to a housing authority.

The Indian Health Service has provided very little service and sanitation facilities. If those are eliminated, there are a lot of reservations that do not have any sanitary facilities whatsoever or electricity. Another area I would like to get into is the reduction of moneys in the Indian child welfare area. The tribes have not had services from that. Our reservation just got its first grant. It seems like a waste of money to start this and have it taken away from us at this time.

As I stated before about the Indian Health Service, we have always been underfunded in the State of California. There has been no facilities money in California. Any facility we have built, well, we built it ourselves. We would like to have that restored to the 1981 level of $8.9 million.

As to CHR, that is very important. That is a remote area, especially northern California. This is the only type of service that some of the elderly people have. I would wish that sometime somebody would be able to come out and we can take you for a ride in some of those areas, and you can note the remoteness of the area.

We would also like the other money refunded. If you could see the services that are needed, and the mothers and the children, including the non-Indian parents, then I think that is very vital in getting the child started. Another thing that we are concerned about is the block grants. The State of California, right now, is funding the block grant, and it is under a formula basis. Instead of going by 100-percent funding for that neediest of the needy the State of California will get $900,000 out of the block grant. If it goes for the 150 percent of the percentage, Indian moneys will drop down to $300,000 which will have to serve the Indians in California.

This is totally inappropriate, I think. We have always been almost left out in the funding. We are just very concerned about some of these areas.

Thank you.

Senator DECONCINI. As to the equity funding that was provided last year, has there been any appreciable effect or have you seen any?

Ms. SUNDBERG. Yes, there has been for the first time. Now, before the equitable funding came in, I think there was about $1.6 million that went to the direct services.

Senator DECONCINI. How much since then?

Ms. SUNDBERG. I am not sure.

Senator DECONCINI. Has the equitable funding increased?

Ms. SUNDBERG. Yes, the other area I did not speak about would be the urban Indian health centers. We are an urban center. We are very concerned, and we do serve a lot of Indians off the reservations. I think if that is cut and not restored, it is going to create a lot of friction between the urban areas and the rural Indian area in the health area. I think we have to support each other in that area.

Senator DECONCINI. There is a consortium?

Ms. SUNDBERG. Yes, small tribes.

Senator DECONCINI. Were you elected or hired?

Ms. SUNDBERG. I am elected, yes, to my position. Now, for the Trinidad Branch, that is a recognized small rancheria. I am elected chairman. I have been for 18 years.

Senator DECONCINI. How many are on the rancheria?

Ms. SUNDBERG. 106 and 76 that live on. They come on and off the rancheria.

Senator DECONCINI. In addition to Trinidad, there is a consortium of the smaller rancherias?

Ms. SUNDBERG. Yes.

Senator DECONCINI. Are you the spokesperson for that?

Ms. SUNDBERG. Yes, I am the chairman. I am chairman of the board of it. I am also sitting on the United Indian Health Board.

Another area is housing. Now, there is the HIP housing. I would like to see that improve. That is the only way the small rancherias can really get a house because of the way things are set up or were set up in the past.

At the present time, we need the upgrading of one house, but younger people are wanting to move back.

Senator DECONCINI. How large is your rancheria?

Ms. SUNDBERG. Sixty-some acres. The freeway came through. A lot was taken out.

Senator DECONCINI. Were you paid for that?

Ms. SUNDBERG. No, we do not know where that money went. It was something the bureau would not negotiate. We never saw a penny of it.

Senator DECONCINI. You never saw a penny?

Ms. SUNDBERG. No.

Senator DECONCINI. I have no further questions, thank you. Mr. Brown?

Mr. BROWN. My name is Clarence Brown, and I represent my client, and there is a specific concern that affects the State of California dealing with the proposed Bureau of Indian Affairs alinement or realinement which was presented to congressional staff representatives on February 18 as well as the tribal leadership. When you talk about an organizational study, you look for advanced level professional expertise, and functions that are proposed in the field, and the use of professional staff, procedural analysis, statistical sampling techniques, indepth cost-effective analysis which would hopefully arrive or put us at a point where we would have some application of a uniform standard or technique that would produce findings which result in an equitable cost comparison of the organizational elements and their effectiveness.

The Bureau of Indian Affairs, in fact, what they told the congressional staff people and the tribal leaders on February 18 are entirely two different things. They are proposing to undertake in their deliberations the elimination of a series of officers in the interest of cost-effectiveness and a savings of over $16 million.

This decision is not only documented from the standpoint of a lot of unvalidated functional surveys or staffing standards, but it is lacking overall cost-effectiveness. In addition, it is quite evident, Mr. Chairman, that the Bureau has got to follow its own manual, the Department of Interior Manual, OMB circulars, and the Federal Personnel Manual in its study.

Specifically, we can look at OMB, Circulars A–11, A–64; the Department of Interior Manual, chapters 100 through 300; the Federal Personnel Manual, the Bureau of Indian Affairs Manual, chapters 5, 10, 33, and 44.

Senator DECONCINI. I am going to have to leave at 4:30 and we have a couple more witnesses.

Mr. BROWN. It is very important that the Bureau of Indian Affairs and this committee look at the Bureau of Indian Affairs realinement through an oversight hearing because what they are telling the people and the Congress are two different things than what they are implementing right now.

Senator DECONCINI. Thank you. We will take that into consideration.

Your prepared statement will appear in the record at this point.

[The statement follows:]

PREPARED STATEMENT OF JOY SUNDBERG, CHAIRWOMAN, TRINIDAD RANCHERIA, CALIFORNIA, REPRESENTING THE CONSORTIUM OF CALIFORNIA COASTAL INDIAN RANCHERIAS

My name is Joy Sundberg representing the Cortina, Trinidad, Big Lagoon, Berry Creek, Resighini and Table Bluff Rancherias in Northern California. We are here to testify that the Indian community in California has not had an opportunity to provide input to the decision to close the Sacramento Area Office of the Bureau of Indian Affairs (BIA). As the representative of these small California reservations, I am requesting that we in California be given the opportunity to make recommendations for improvements in delivery of BIA services and alternatives to complete closure of the Sacramento Area Office. In California there are more than 80 land-based federally recognized tribes and a population of more than 201,000, making it the largest state Indian population in the United States. Most of the tribes are rural and in very poor economic conditions with little resources. The reservation unemployment rate exceeded 45% on 70 reservations during Fiscal Year 1980–81 and is currently as high as 80% on some reservations. Currently there are 12 (or parts of) reservations that do not have electricity. If the Area Office is moved it will be a great hardship on California Indians to go to Portland or Phoenix to conduct area business or even to adequately request services. Even now, it is a hardship for some tribal officials to get to Sacramento. It is true that there are inefficiencies within the BIA and the tribes of California know this, and there are ways that the government can improve services in our area.

When I met with President Reagan in Sioux Falls, South Dakota, during his presidential campaign he said that before decisions are made that affect Indian people Indian tribes would be consulted for their input. I guess this is "another broken promise." We would like to have a moratorium on the BIA realignment plan for the purpose of allowing California input. The government-to-government relationship between the tribes and the United States demands that we be heard on this issue.

As a part of the Administration's proposed budget reduction many governmental programs which benefit Indian people have been completely eliminated. The program elimination includes Indian Health Service, Urban Indian Health Service, the Rural Community Health representatives, water and sanitation, and the Housing and Urban Development program. The proposed budget also reduces Administration for Native Americans (ANA) and Indian Child Welfare Act (ICWA) funds. The proposed program eliminations and reductions are not in the best interests of Indian people and are a serious breach of the trust responsibility.

Housing should be based on need. We strongly object to the Reagan administration proposal to eliminate the Indian housing program. According to a 1980 federal reservation housing authority survey, 72 percent of existing housing units in reservation areas were in substantard condition, and, of that number, over half needed replacement. In addition, 3,899 families are currently in need of housing.

We are also requesting the restoration of funding for water and sanitation facilities. BIA-Hip housing should be funded for 1–10 units for small Rancherias.

INDIAN CHILD WELFARE ACT

The funds provided under Title II of the ICWA for Fiscal Year 1982–83 are not adequate and should be raised over 1981–82 levels rather than reduced. Of the 80 Indian tribes in California, only 50 are covered by any Indian child welfare services. Any reduction in funding will mean more hardship at the local level since the services provided under the ICWA are not available in California for Indian people from any other service provider.

INDIAN HEALTH SERVICE

California has the largest Indian population in the nation and the federal government has responsibility and a trust duty to ensure adequate health services are provided to Indian people. Especially important is the fact that more than 100,000 Indians reside in urban areas of California, and most of our urban brothers and sisters are members of federally recognized tribes in other states. We urge continued funding for urban Indian health and that funding be restored to the Fiscal Year 1981 level of $8.9 million.

Funding for the community health representatives is proposed for elimination. These services are badly needed in rural California. The rural areas need these community health representatives, and in some situations these representatives are the only health providers to Indian people in the more remote areas. We are strongly opposed to the elimination of funding for Community Health Representatives. The Women, Infants and Children Program is also being defunded and provides invaluable assistance to Indian women and children in attempting to decrease the high infant mortality rate among the Indian population. In a recently completed California report done by the California Urban Indian Health Council it was reported that the cirrhosis death rate for Indian women 15–34 years of age was 37 times that for white women the same age. Cirrhosis mortality rates for Indians 25–34 years of age were 14.5 times the general population rates. Alcohol related mortality for Indians aged 15–24 is 22 times the national norm.

Water and sanitation funding should not be eliminated. The range of water and sanitation services prevent major public epidemics which are possible because of the poor conditions on some California reservations and rancherias—particularly needed are water purification services. These programs could be administered by another department such as Housing and Urban Development or by the community development block grants.

ADMINISTRATION FOR NATIVE AMERICANS

ANA funding should likewise not be reduced as proposed; especially since many California tribes have yet to receive ANA assistance. These funds are basic to the Indian community and the large reductions proposed are again not proportionate to the overall reductions. The proposed $4 million reduction, plus this year's reduction, represents a 25 percent reduction since Fiscal Year 1981. This is an unfair reduction in a program which is truly designed to meet the social and economic development needs of reservations.

NEED FOR PROPORTIONATE FUNDING

The Indian people in California are very aware of the fact that California has often been shortchanged in the past on federal assistance. Even though there are more than 80 tribes we have received the least funding for BIA services and Indian Health Services. This has traditionally been a problem for California Indian people. The programs should be funded proportionately to be fair. The California Indian population is 201,311, which is 14.9 percent of the national Indian population according to the 1980 census. We should get a proportionate share of the federal funds expended on behalf of Indian people. The 80 Indian tribes in California are entitled to better treatment by the federal government, and I hope that you will give us an opportunity to be heard on our concerns. We invite you to California to meet with us at your earliest convenience.

Please call me at 707 . . . if we can provide additional information. Thank you for the opportunity to present my statement.

BUREAU OF INDIAN AFFAIRS

The Bureau of Indian Affairs, acting as an agency of the United States government, recognizes a fundamental responsibility to American Indian tribes, Alaska Native groups and the tribal form of government. This budget places the Bureau's emphasis on three major areas of responsibility. They are: (A) To recognize and preserve the inherent rights of tribal self-government, to strengthen tribal capacity to govern, and to provide resources for tribal government programs; (B) to emphasize management improvement activities that will strengthen BIA's ability to serve Indian people; and (C) to fulfill and execute the Federal Government's trust obligation to the American Indian tribes.

Senator DECONCINI. Wayne Terry is our next witness, if he is here.

I understand Leroy Clifford has also come in. Now, gentlemen, I am going to have to leave at 4:30 and conclude these hearings, so we have about 15 minutes for the balance. If you would accommodate us, I would appreciate it.

STATEMENT OF WAYNE TERRY, BOARD OF DIRECTORS, SEATTLE INDIAN CENTER

Mr. TERRY. I appreciate being here, Senator. I am Wayne Terry. I am here to represent the Seattle Indian Center, which is an umbrella nonprofit institution representing the urban Indians in the greater Northwest area. In 1981, we served some 28,000 people from about the 4 northwest States and Alaska.

I represent some 40 tribes and bands, predominantly from Washington, Oregon, parts of British Columbia, and Alaska.

The services included child welfare programs such as foster care and adopted services, alcohol counselings and syndrome counseling, CETA programing, hot luncheon food bank programs and referral services. Also legal services and adult education classes.

In 1981, we spent some $161,468 for the specific program that we are talking about now, which is the child welfare program for off-reservation Indians. We need a little over $246,000 to operate for 1981 and 1982 and 1983.

Our total resource pool, which is bits and pieces of the United Way, DOL, BIA, and title IV money is pretty rapidly drying up. My trip around the Hill this time tells me there is an excessive amount of pressure to totally wipe out the urban Indian from any bill. We have approached the block grant programs, and found we can't achieve equity there. We cannot compete because—for political or bureaucratic reasons. The demographics are such that—for the Native American and in Washington alone, the only thing I have access to, 53.7 percent of all the Native Americans live in and around urban centers like Seattle, Spokan, Tacoma. It would appear it is a national trend for my information as to the urban centers.

Now, unless these people—28,000 in the Seattle area—are unserved, we need a couple of things. The first is recognition that the urban Indian does exist and his plight is pretty terrible.

Second, the report language which defines the urban Indian, his status and his rught to an equitable amount of resources devoted to the Native American be placed on the record.

I am a policeman. Unless we do something about this particular problem, the 28,000 people, for the most part, are going to be my problem. That is a problem we are not equipped to handle. That is a problem that in the Northwest, where 40 percent of the American population are unemployed, and you see 63 percent of the Washington State residents defined as Native Americans over age 25 that have never graduated from high school.

Senator DECONCINI. The unemployment, is it higher among the Indians or the reservation Indians?

Mr. TERRY. I do not know. I only know statistics for the population I serve.

Senator DECONCINI. Is that unemployment based on households or heads of household?

Mr. TERRY. Yes, the heads and households in the urban area. This does tend to be more split than it would in the reservation situation. There are more female heads of households than on the reservations.

It gives me people to contend with, while the American Indian Affairs Association indicated 25 to 30 percent are never going to finish with the household they started in. Their rate of adopting and rate of foster care is 18 times higher than any other population.

I guess the problem that affects me the most is the rate of alcoholism, which is 8.4 times the national average. It is a problem we have discussed and there is the current pressure to remove the urban Indian from any language. Well, we are in dire straights. We have some other material. I request the privilege of later forwarding that for the record at a later time. I do not have it today.

Senator DECONCINI. Thank you. Your statement is interesting. It is quite shocking. It certainly demonstrates the need not to reduce the funding in a number of areas such as alcoholism and education, also economic development and health care. We thank you for this information.

Your prepared statement will be made part of the record at this point.

[The statement follows:]

SEATTLE INDIAN CENTER, INC.
121 Stewart Street · Seattle, WA 98101
(206) 624-8700

Presented by: Wayne Terry
Board of Directors,
Seattle Indian Center

Camille Monzon-Khamsei
EXECUTIVE DIRECTOR

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to submit testimony on behalf of the Seattle Indian Center. We are here to advocate for continued support of off-reservation Indian Child Welfare Programs. We require $246,128 to operate our Foster Care and Adoption Program for 1982 - 1983.

Anthropologist Henry Dobyns estimates the New World aboriginal American population pre-European contact to have been between 15 and 18 million within the contiguous United States,[1] exclusive of Canada and Mexico.

What became of our Native American population? Havelock Ellis once stated that civilized man arrived in the New World armed with alcohol, syphyllis, trousers and the Bible. Since 1492, this population has endured displacement, disease and the destruction of its traditional values. For the first time since European contact and the decimation of our people, the Native American population has reached a total of 1.5 million people, double that of the previous census.

The Seattle Indian Center can testify to the ever-mounting and morbid statistics that afflict our people. Since the late sixties, the Seattle Indian Center has witnessed the heavy influx of Native Americans from the reservations, small towns and villages. They came in search of better housing, better education and more job opportunities. We have watched citizens of every Indian nation pour into the off-reservation Indian centers throughout the land that serve as a haven and indeed a Mecca, beckoning all to come who seek minimal subsistence.... not daring to even hope to pursue the American dream of owning a decent house, a car and having an I.R.A. account.

Once again we find ourselves fighting for the existence of our people. This time we are not fighting the Cavalry but the administration's budget cuts. This administration proposes to cut much-needed programs, and even exclude off-reservation Indians while our Native American population has doubled since 1976. Currently 53.7 percent of the Native American population[2] lives in and around large urban areas. We use the term 'lives' rather loosely because of the following statistics:

UNEMPLOYMENT: In the greater Seattle area, the rate of unemployment among Indians is 40%.[3]

EDUCATION: In Washington State, 63% of all Indians over the age of 25 have not graduated from high school.[4]

HOUSING: Fifty-two percent of the Seattle Indian Center's Nutrition Program clients are "transients" living "on the street."[5]

LIFE EXPECTANCY: The average age at death for Indians living in the Puget Sound area is 47.2 years.[6]

INCOME: Forty-four percent of those persons receiving congregate meals at the Seattle Indian Center have no income whatever; another forty-four percent have incomes below 40% of the state median income.[7]

INFANTS & CHILDREN: Maladies (including sudden infant death syndrome and birth defects) which result in the death of infants, are the third leading cause of death among Indians living in the Puget Sound area.

One-third of all Indian children are partially or totally deaf due to the effects of otitis media, a disease so rare in the general population that no statistics are kept.

In Washington State, the adoption rate for Indian children is 19 times greater than the non-Indian rate, and the foster care rate is ten times greater.

Surveys taken by the Association of American Indian Affairs (AAIA) indicate that 25 to 35 percent of all Indian children are separated from their families and placed in foster homes, adoptive homes or institutions.[8]

MORTALITY: The accidental death rate for Indians living in the Puget Sound area is double the national average. Five out of every 100 Indian teenagers will commit suicide in 1982.

The death rate resulting from influenza and pneumonia among Indians living in the Puget Sound area is 1.8 times the U.S. rate.

Among Puget Sound Indians, the number of deaths caused by cirrhosis is more than twice the average for Indians in the 25 reservation states and 7.2 times the national average of all races.

Alcoholism among Indians in the Puget Sound area is 8.4 times the national average.[9]

In 1981, the Seattle Indian Center provided direct service delivery to over 28,000 people through our Foster Care and Adoption program, the CETA program, Adult Education classes, the Fetal Alcohol Syndrome Prevention, Emergency Services, the Hot Lunch and Food Bank programs and the Legal Services. These are vital programs that must continue to exist to alleviate the suffering of the most deprived minority people in our country.

Don't allow the words of Rudyard Kipling to become an epitaph for our Native American people that all the world will see . . . .

Take up the White Man's burden--
Have done with childish days--

The lightly proffered laurel,
The easy, ungrudged praise.

Comes now, to search your manhood
Through all the thankless years,

Cold, edged with dear-bought wisdom,
The judgement of your peers!

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(1) Dobyns, Henry F., Estimating Aboriginal American Populations, Current Anthropology, Vol. 7, 1966, pp. 395-449
(2) 1980 Nutrition Program Statistics, Seattle Indian Center
(3) "Labor Market Information for Affirmative Action Programs," 1976, Washington State Employment Security Department
(4) "1970 Demographic and Socio-Economic Profiles of the American Indian Population of Washington State," 1973, Washington State Superintendent of Public Instruction
(5) "Food and Nutrition Status of Washington State Indians," 1979, Hunger Action Center, Seattle
(6) Health Plan: 1981-1984, Indian Health Service, Puget Sound Service Unit
(7) "White House Conference on Food, Nutrition, and Health, Final Report," 1969
(8) "The Destruction of American Indian Families," 1977, William Byler
(9) "Protecting American Indian Children," 1980, Ronald S. Fischler

CETA

The CETA office of the Seattle Indian Center is a vital part of the Indian Center as a whole. Currently it plays a necessary step in the process of the overall center. The step into unsubsidized employment and the ability of our clients to live on their own without further support. Before they can take that final step many of our clients need counseling in how to approach the job market. They lack basic job search skills. The evidence of this lack of knowledge is present in the fact that Indian unemployment rates are double that of any other minority group. With the closing of all the downtown employment security offices we are one of the few offices left providing these services. To effectively operate a CETA program in Seattle we would need a budget of $800,000.

EDUCATION

Over 24,000 Native American persons can be found in the Seattle area. Out of these 24,000 individuals there are over 8,000 of them functioning below the sixth grade level in basic educational skills. The Seattle Indian Center has submitted an application for $130,000 through Title IV Part C to provide intensive educational instruction in reading, math and English. In the State of Washington three out of every four Native Americans live in off-reservation population centers, i.e. Seattle, Tacoma, Spokane and Yakima. If the Office of Indian Education programs were to be shifted from the Office of Education to the Department of the Interior then the majority of the Indian population will not be served because the Department of Interior does not recognize off-reservation Indian institutions.

NUTRITION

Free Meals - Free meals are served on weekdays at noon. When there is sufficient food, the meal program is open to all low income people. Otherwise, it is limited to persons over 40 years old. The meals are served at the Indian Center and consist of a meat dish, a staple, vegetables, milk or coffee, and a dessert. More than 20,000 meals are served each year. Out of every four persons served, two are transients and one lives in the downtown area in low-income housing. Forty-four percent have no income and approximately half say they have no other source of food. Thirty-seven percent are Indian, Thirty-two percent are Caucasian, and thirty percent belong to other minorities.

ANA

Funding from ANA is essential to the survival of off-reservation Indian centers. Most Indians live off the reservation: in Washington State 75% of all Indians live in the cities. Off-reservation Indians are worse off than any other minority in the cities: 40% are unemployed; 63% have never finished high school; a quarter live below the poverty level. In the past, ANA has supported employment, educational, and social activities aimed at making Indians more self-sufficient. This has resulted in less Indian dependency on costly welfare programs. Without ANA support, most of these programs will not survive at the Seattle Indian Center, and our off-reservation Indians will have no where else to go because of cultural barriers to non-Indian programs. Without these programs, we cannot realistically expect the majority of our off-reservation Indians to become productive, contributing members of our communities.

Senator DECONCINI. Our last witness is Leroy Clifford, executive director, American Indian Higher Education Consortium, Denver, Colo.

STATEMENT OF LEROY CLIFFORD, EXECUTIVE DIRECTOR, AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

Mr. CLIFFORD. Thank you, Mr. Chairman. My name is Leroy Clifford. I am executive director of the American Indian Higher Education Consortium, which represents 18 tribally controlled community colleges located in 7 States of the Union.

I appreciate the opportunity to testify before your committee, and since I have approximately 5 minutes to present my remarks, I would like to just very quickly summarize and make recommendations and conclude.

The tribally controlled community colleges funded under Public Law 95–471 are quite concerned with the number of major policy decisions the administration has made in regards to Indian education. The first concern that we have deals with what I am sure you heard today over and over again, which is the Federal trust responsibility for Indian education.

The tribally controlled community colleges, which are chartered by the tribes, believe very strongly that the Federal Government has a trust responsibility to Indian education.

We feel that the Congress over the years, as far back as March 30, 1902, which appropriated $15,000 as an act for Indian education up to Public Law 93–638 that reaffirmed the policy of Federal trust relationships to Indian tribes, including education—well, we feel that it documents that fact.

The concerns we have specifically would be the Bureau of Indian Affairs has proposed to consolidate certain area offices in their proposed realinement. The concern is what will happen to tribally controlled community colleges.

At the present time, this program is being administered by the central office. The concern is in the process of reorganization and realinement, how well the grants that are issued from the central office be administered to the tribally controlled community colleges. That is a major concern that we have.

Another concern that we have deals with Public Law 95–561. This deals with the issue of line authority which currently exists with the Director of Indian education program. Public Law 95–561 established line authority over Indian Education programs and the Director of Office of Indian Education programs.

In the proposed realinement, it appears the Office of Indian Education programs as being relegated to a staff component, and will no longer be reporting directly to the Assistant Secretary but rather will be reporting through a Deputy and Assistant Secretary for Operations.

The question we have is since the line authority and responsibility was established by law, does the administration have the authority without contacting the Congress on that matter.

We feel that if the Director of the Office of Indian Education is relegated to a staff level capacity, that Indian education will lose priority as far as the budget process is concerned and so forth.

We are very much concerned with that issue, but more importantly, Mr. Smith had made a number of statements on a number of occasions that he questions whether or not Indian education is a part of the trust responsibility, and he has challenged us to test that in the courts. He suggested we test it in the courts, and he has gone as far as to challenge us to do it.

The other issue deals with title IV. The fiscal year 1983 appropriations budget talks to the issue of a proposed transfer of title IV Indian education, which is now currently being administered by the Department of Education to the Bureau of Indian Affairs. Just as with the proposed realinement, there has been no consultation with the tribes and Indian organizations, not to mention the fact Indians in the urban areas are the people that stand to lose by this change.

Important policy considerations have not been researched and answered. For example, the recipients of title IV programs, do those recipients support the transfer? Has that been checked into? Have been consulted? Whose definition for Indian for purposes of determining eligibility for services will apply? The BIA's definition of Indian or the title IV definition?

Another question, does a transfer of title IV programs meant that the BIA will establish a policy of serving Indians in the urban areas? Whose policies and procedures will be used in the administration of title IV programs? BIA's policies and procedures or will they let stay intact as to the title IV procedures and transfer those to the bureau?

These are some of the policy questions that I believe need to be looked into. One of the other concerns is the bureau has suggested that there will be a savings of $16 million. The question I have is they make no indication as to whether or not those are real savings.

It would seem logical from a commonsense standpoint that if they are talking about $16 million from that realinement, that there is going to be some cost incurred in the reorganization. Have they calculated the cost to the taxpayer in terms of what that reorganization is going to be? Have they looked at the economic impact of the reorganization from the political standpoint?

Have they deducted the cost of reorganization from the $16 million to give the Congress a more accurate picture of what the real savings are? I think this needs to be looked at because it is not clear as to whether the $16 million figure is, in fact, a real savings to the taxpayer.

My recommendations are, are the Indian tribes—well, the Indian tribes must be consulted on any or all organization and budget changes which the administration is planning. This is in keeping with the spirit and intent of Public Law 96–638. The Bureau should be required to develop and submit to the Congress a detailed plan and analysis of what it will cost to implement the proposed reorganization.

So saying that the proposed reorganization will save $16 million without determining the cost of reorganization is not presenting a true picture of the real cost of savings to be realized.

Well, also we are recommending Indian tribes and organizations, urban and rural, and all other Indians benefiting from title IV programs must be consulted before any proposal to transfer title IV is considered by the administration.

We also recommend extensive field hearings must be held to determine whether or not there is support for any of the proposed changes. This will allow the respective constituencies the opportunity to state their position in regards to the proposed changes being considered by both the Department of the Interior and the Department of Education.

In conclusion, I can say that I recognize, having worked in the agency office in the field and two area offices, that there is duplication. For example, for every staff person in the area office such as a supervisory law enforcement officer at each one of the agencies, you have an agency law enforcement officer and, so forth and so on for social services and other programs, so there is duplication.

I think that everyone recognizes this. I do think that in the process attempting to streamline the organization that the administration should comply with the policy mandates of 638 and make every effort to conduct meaningful genuine consultations with the tribes, the Indian organizations, and the constituencies in the urban and rural areas before they pursue any organizational changes that are being planned.

Thank you very much.

Senator DECONCINI. You make a very good argument. I think this committee will address that, and hopefully ask Mr. Smith for a detailed analysis of where the savings are. I am not satisfied they can be justified, either, and I thank you for some of your ideas and thoughts concerning it. It is helpful to the committee.

This will conclude the hearing today.

Mr. Clifford, your statement will be included in the record at this point.

[The statement follows:]

PREPARED STATEMENT OF LEROY V. CLIFFORD, EXECUTIVE DIRECTOR, AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

SENATE SELECT COMMITTEE

ON

INDIAN AFFAIRS

Mr. Chairman and distinguished members of the Committee. My name is Leroy Clifford. I am Executive Director of the American Indian Higher Education Consortium which represents eighteen Tribally Controlled Community Colleges located in seven states of the Union -- Washington, California, Arizona, Montana, North Dakota, South Dakota and Nebraska. I would like to thank the Committee for this opportunity to express our concerns regarding the Bureau of Indian Affairs policies in regard to Indian education. Many of the concerns expressed here today are common to all of those concerned with the future of Indian education. For FY 1983, the central theme is clearly "survival".

POLICY CONCERNS

The historical basis for the Federal Trust Responsibility to Indian education is rooted in numerous treaties which have as one of the primary objectives of the non-Indians the education of the American Indian. The use of educational provisions in these treaties in exchange for the ceding of Indian lands is the basis for what is now referred to as the Trust Responsibility to Indian tribes and to Indian education.

Educational statutory enactments which specifically and implicitly include Indians. The promulgation of rules and regulations concerned with Indian education, and the decisions and actions of individuals in positions of influence have all contributed to the historical development of the Federal Trust Responsibility to Indian education.

From the Act of March 30, 1802, 2 Stat. 139, wherein the Congress first acknowledged the Federal responsibility to Indian education by appropriating a sum of money not to exceed $15,000 to the enactment of P.L. 93-638, the "Indian Self-Determination and Education Assistance Act," the Federal Government has continually acknowledged the responsibility to Indian education. P.L. 93-638 represented an explicit acknowledgement by the Congress of a "historical and special legal relationship" with Indians and "resulting responsibilities therefrom reaffirmed the acceptance by the Federal Government of a Federal responsibility to Indian education. The Act was intended "to promote maximum Indian participation in the government and education of Indian people; . . . to establish a program of assistance to upgrade Indian education; to support the right of Indian citizens to control their own educational activities." The declaration of policy within P.L. 93-638 states that "The Congress hereby recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational programs as well as other Federal services to Indian communities so as to render such services more responsive to the needs and desires of those communities."

Finally, the 95th Congress enacted two major pieces of legislation which specifically addresses the area of Indian education. P.L. 95-471, the Tribally Controlled Community College Assistance Act of 1978, provides grants for the operation and improvement of tribally controlled community colleges. Here the Congress acknowledged the Federal trust responsibility to Indians including post-secondary education as a part of the education continuance from K through 12 and beyond.

The other piece of legislation concerned with Indian education is Title XI of the Education Amendments Act of 1978. P.L. 95-561, as it is normally referred to, provided for the development of standards for the basic education of Indian children who are attending B.I.A. schools or schools contracting with the B.I.A. under P.L. 93-638; P.L. 95-561 also called for the following actions within the B.I.A. programs: (1) creation of a national criteria for dormitory living environments, (2) development of a system establishing priorities for school construction projects, (3) transfer of authority and responsibility over B.I.A. education programs to the Director of the Bureau's Office of Indian Education Programs, (4) a system for allotting B.I.A. education program funds based on per capita student counts, (5) uniform and direct funding and support for B.I.A. and contract schools, (6) exemption from Civil Service competitive exams in the hiring of new educational employees of the Bureau, (7) establishment of a computerized information system between the agencies, areas and central office, (8) a policy paper by the Office of Indian Education Programs within the B.I.A. setting forth education policies, procedures and practices for all educationally related activities, and (9) active recruitment of Indian educators by the Secretary of the Interior.

P.L. 95-471 and P.L. 95-561 are clear manifestations of compliance with the Federal responsibility to Indian education. The fact that two Acts are specifically designed to address the educational needs of Indians is yet a further example of the special treatment and consideration accorded Indians and Indian education by the Federal Government.

The sum result of such language in a key piece of legislation like P.L. 93-638 can only lead to the conclusion that the Federal Government has long ago accepted and confirmed the proposition that there is a Federal trust responsibility to Indian education. Yet today, inspite of all of the treaties, laws, policies and procedures regarding the general trust responsibility to Indian tribes, including but not limited to Indian education, the Administration is ignoring its responsibility to Indian tribes and, more importantly, to Indian education. The Administration has embarked on a program which calls for the abolishment of the Department of Education and the block-granting of Federal education monies to the States. Included in this major policy shift is what appears to be an attempt by the Administration to ignore treaty responsibilities for Indian education, laws and Executive Orders reaffirming the trust responsibility to Indian education and existing policies which acknowledge Indian education to be a part of the Federal Trust Responsibility to Indian tribes.

The Assistant Secretary of Indian Affairs, Mr. Ken Smith, on several occasions has questioned whether Indian education is a part of the Federal trust responsibility to Indian tribes, and continues to ignore the policy mandates of P.L. 93-638 which require "maximum Indian participation in the government and education of the Indian people."

For example, the Assistant Secretary for Indian Affairs has developed a proposed plan to consolidate, realign, and reorganize area offices. This plan calls for a major structural overhaul of the Bureau of Indian Affairs delivery system and yet there has not been meaningful and genuine consultation with Indian tribes and their respective communities. The B.I.A. is supposedly developing a process for meaningful involvement of Indian tribes and Indian organizations in the direction of educational programs as well as other Federal services. This process was to have started in 1975 with the enactment of P.L. 93-638, and yet today, seven years later the B.I.A. has not produced a clear policy and system for tribal consultation.

The proposed reorganization of the entire B.I.A. is long overdue and having worked in two area offices, I can attest to the fact that there is a great deal of duplication between the area offices and the agencies. However, the tribes must be consulted before any organizational changes are implemented by the Department of Interior and the Bureau of Indian Affairs. This would be in keeping with the spirit and intent of P.L. 93-638 which requires the Secretary of the Interior to consult with Indian tribes on all matters affecting Indian education and other Federal services.

The proposal to consolidate, realign and reorganize the area offices calls for a sweeping realignment of the area office structure in an effort to streamline the B.I.A. management structure. The anticipated savings from this major organizational change is estimated at $16 million in administrative costs. The savings are supposed to be devoted to direct services to Indians. The proposed budget for FY 1983 reflects substantial increases in Forestry and other related economic development areas. However, very little emphasis is being placed on the development of human resources (Indian education) which is an integral part of any natural resource or energy resource development strategy. Again, the B.I.A. is promoting economic development of tribal resources and yet the funding for Indian education is being reduced by approximately 20-30%.

The plan also calls for the abolishment of twelve area education offices, four divisions and three staff offices within the Office of Indian Education Programs headquarters office, three Assistant Director offices, and the School Facilities staff will be abolished while four Regional Education Offices and two Divisions will be established.

Again, the Bureau of Indian Affairs has not consulted with Indian tribes and Indian education organizations. It doesn't appear that the current Administration plans to conduct a meaningful consultation program with the tribes regarding these major policy and program changes. P.L. 95-561 established legislatively a direct line authority relationship between the Director of the Office of Indian Education Programs in the B.I.A. and the Assistant Secretary of Indian Affairs. Authority over B.I.A. education programs was vested by law in the Director of O.I.E.P. Yet, the proposed reorganization plan relegates the Director of B.I.A. education programs to a staff office reporting not directly to the Assistant Secretary for Indian Affairs as mandated by law, but to the Deputy Assistant Secretary of Indian Affairs for Operations. Here again, a direct violation of the law (P.L. 95-561).

The Administration's proposed budget for FY 1983 includes language pertaining to a proposed transfer of Title IV of the Indian Education Act (92-318) to the Bureau of Indian Affairs and I quote "Under the Administration's proposal to abolish the Department of Education, programs in this area that were formerly administered by the Department of Education would be transferred to B.I.A." unquote. Again, there has been no consultation with tribes and Indian organizations not to mention the fact that Indians in the urban areas are the people who stand to lose from this change. Important policy considerations have not been researched and answered. For example, do recipients of Title IV program services support the proposed transfer? Whose"definition of Indian" for purposes of determining eligibility for services will apply -- the B.I.A.'s definition of Indian or the Title IV definition? Does a transfer of Title IV programs mean that the B.I.A. will establish a policy of serving Indians in the urban areas? Whose policies and procedures will be used in the administration of Title IV programs -- B.I.A. or Title IV?

RECOMMENDATIONS

The following recommendations relating to the policy concerns presented in this testimony are submitted for the Committee's review and consideration:

1. Indian tribes and Indian organizations must be consulted with on any and/or all organization and budget changes which the is planning. This is in keeping with the spirit and intent of P.L. 93-638.

2. The Bureau of Indian Affairs should be required to develop and submit a detailed plan and analysis of what it will cost to implement the proposed reorganization. To say that the proposed reorganization will save $16 million without determining the cost of reorganization is not presenting a true picture of the real cost savings to be realized.

3. Indian tribes, Indian organizations -- both urban and rural, and all other Indians benefitting from Title IV programs must be consulted before any proposal to transfer Title IV is considered by the Administration.

4. Extensive field hearings must be held to determine whether or not there is support for any of the proposed changes. This would allow the respective constituencies the opportunity to state their position in regards to this proposed changes being considered by both the Department of the Interior and the Department of Education.

Senator DeConcini. The hearing is adjourned.
[Whereupon, at 4:35 p.m., the hearing was adjourned.]

APPENDIX

Additional Material Received for the Record

Senator William S. Cohen, Chairman
Select Committee on Indian Affairs
Dirksen Office Building
Washington, D.C. 20510

Dear Senator Cohen,

I recently reviewed President Reagan's Proposal fiscal year 1983 budget to the Congress of the United States and was shocked at the lack of sensitivity for human resources/development for the citizens of the United States. In my opinion, President Reagan's proposed budget reflects a military state rather than a democracy. I am extremely concerned with the budget's disregard for federal responsibility to the education of Indian children, and the proposed transfer of Title IV, the Indian Education Act, P.L. 92-318, to the Bureau of Indian Affairs, Department of Interior.

Therefore, I would like to recommend for your consideration:

1 - The Congress reject President Reagan's proposed budget for one that is more humanistic; especially, in the area of Indian Education/affairs.

2 - The Congress not allow President Reagan to have further recessions on the fiscal year 1982 budget. The Indian education allocations are barely adequate as approved.

3 - Title IV, Indian Education Act, Johnson O'Malley Program, Bureau of Indian Affairs Higher Education Scholarship Program, Tribal Community College, and Adult Education be funded at the fiscal year 1982 level as a minimum, fiscal year 1981 as a preference.

4 - Title IV, Indian Education Act parts B - Educational Personnel Development Projects and Part C - Adult Education be substantially increased. Should recessions in the fiscal year 1982 allocation and the proposed fiscal year 1983 budget be granted, no new programs will be started and current, on-going programs will receive less money for operation.

5 - That Johnson O'Malley program appropriations be forward funded. This would allow school districts/parent advisory committees to plan better use of funds available and to receive more timely payments.

6 - That impact aid funds for "Super A" schools be increased at the fiscal year 1981 level as a minimum. Less than this appropriation will result in the closure of many public schools on Indian reservations, and Indian students will receive a less than quality education compared to surrounding school districts.

7 - The state foundation program is not adequately funded to absorb the loss of impact aid leaving the only alternative to increase mill levies.

8 - That the fiscal year 1983 budget acknowledge the special trust relationships tribal governments experience with the United States Government.

I also oppose the transfer of P.L. 92-318, Title IV, Indian Education Act from the Department of Education to the Department of Interior. The Department of Education must remain intact and not be dismantled. I oppose the transfer because:

1 - Indian children/adults will lose between 35-50 percent of Title IV funding the first year. No allocation will be available for new part B and part C projects - the creative portion of the Act.

2 - The Bureau of Indian Affairs will consolidate Part A - entitlement with Johnson O'Malley Programs resulting in less money being available to grantees.

3 - The Bureau of Indian Affairs regulations require Indian children be one-fourth degree or more Indian, be federally recognized and reside on or near Indian reservations. This will result in thousands of Indian students not being provided an opportunity to participate in this unique program.

4 - The Bureau of Indian Affiars considers trust responsibility as being only within exterior boundaries of Indian reservations rather than nationally as indicated in legislation and treaties.

Therefore, because of the above stated reasons, I oppose the proposed budget to Congress presented by President Reagan. I am requesting that less money be appropriated for defense, the United States not become involved in nor provide appropriations for San Salvador internal affairs, and the humanistic programs for United States citizens, especially education for Indian children, be increased. By decreasing the military budget, the approved budget authority can be maintained.

Thank you for any and all consideration given this request.

Sincerely yours,

W. Stanley Juneau

W. Stanley Juneau
Box 55
Browning, Montana 59417

**Prepared Statement of Robert G. Philbrick,
Chairman, Crow Creek Sioux Tribe**

My name is Robert G. Philbrick, I am presently the Chairman of the Crow Creek Sioux Tribal Council, which consists of six Council members and a chairman. Seven members of the tribal overnment are elected every two years. The present Crow Creek Sioux Reservation covers about 290,000 acres of land located on the east side of the Missouri River. The river area is now called Randall Dam. The Big Bend Dam is located between the Crow Creek Sioux and the Brule River Sioux Reservation. The Size of the original reservation covered roughly a line from the mouth of the White River on the east side of the Missouri River to a line near Sioux Falls, South Dakota then a line north to Aberdeen, South Dakota, then back west to the Missouri River to a line near Pierre, South Dakota. Also, the elders of the Crow Creek told me the center of the main channel of the Missouri River was the dividing line between Crow Creek and the western part of South Dakota.

The Crow Creek Sioux lost most f the timber land along the Missouri river, also, their best farm land and home sites. The Tribe never did fully recover from the loss of their lands to Fort Randall and Big Bend Dams - something like over 40,000 acres of prize land and timber. The Corp of Army Engineers told the tribe that the tribal members would benefit greatly from these two dams. So far nothing has been realized, although the fishing and boating recreation attracts many citizens of the county. The State of South Dakota claims they have all jurisdiction on and in the waters of the two dams, so the tribe does not receive any income from the recreation facilities. The state of South Dakota claims all the water in all dams built by the Corp of Army Engineers in the state. The tribe feels that only Congress can get back what once belonged to the tribe. If the Crow Creek Sioux is expected to be self supporting and self sufficient Congress must pass laws to enable all tribes to be self supporting. So that the once proud race of people can take their place in the present day society. I'm sure all Indians in America want their freedom and to keep their culture as long as possible.

The Picks Sloan plan of the 1940's made a study of the Crow Creek Indian reservation as far as irrigation was concerned. One of the largest pumping stations along the Missouri river was planned for an irrigation system. The system was located near Fort Thompson, The Crow Creek Sioux Tribe is now asking Congress to help the tribe develop this planned project. Several thousand acres of land can be bought back in the name of the tribe. There is some of the best farm land in the country in the state of South Dakota. The tribe needs help from Congress in terms of money to develope their lands and money to purchase more land. The tribe feels that they would like to be treated like the countries that receive money from Congress for the development of their foreign countries. The tribe needs this to be able to be self supporting. The money could be in the form of a long term loan with a low interest rate.

The Crow Creek Sioux Tribe not only lost land, timber and part of their livelyhood but also a agency called Fort Thompson, which had a hospital, Doctors and nurses quarters, grade school and high school system, a water and electric plant as well as a Community building, homes and large garages, etc. The tribe would like these building replaced for the use of the tribe.

Since the Crow Creek Sioux tribe did not except the Wheeler Howard Act, they did not receive any money for lands, cattle, etc.. All land that the tribe now buys is a loan from Congress through the FHA program.

The tribe needs funds for a Game and Wild Life Management Program. The BIA has approved $15,000.00, however the funds are not available. The Tribe needs help from Congress on this.

The BIA has also approved $550,000 for present operations and additional irrigation pivots. Again, the funds are not available and the tribe needs help from Congress on this.

The Indian Health Service has proposed in the FY '83 budget to build a clinic at Fort Thompson. At the present time we are using a converted house for this purpose without any facilities for in-patient care until the patients can be moved to Pierre, South Dakota, where we have contract care. The Tribe desperately needs this clinic.

The tribe needs 8 million dollars for a agriculture program. Ken Smith, Assistant Secretary for Indian Affairs has verbally agreed to fund 1 3/4 million for the project - the tribe needs funds for the rest of the 8 million.

FOND DU LAC RESERVATION

BUSINESS COMMITTEE
105 UNIVERSITY ROAD
CLOQUET, MINNESOTA 55720

WM. HOULE, Chairman
BERNARD LOONS, SR., Sec. - Treas.
ROBERT PEACOCK, Executive Director
879-4593 — 879-8325

February 26, 1982

Senate Select Committee on Indian Affairs
Room 6313
Dirksen Senate Office Building
Attn: William Cohen
Washington, D.C. 20515

Re: Indian Housing Programs

Dear Mr. Cohen:

The Fond du Lac R.B.C. and the Fond du Lac Reservation Housing Authority respectfully submit the enclosed statement of President Reagan's elimination of the Indian Housing Program. We request that our statement be made a part of the official record of the hearing on Fiscal Year 1982 and zero budget for FY 83 Indian Housing Program Budget Recission scheduled to be heard on March 1 and 4, 1982. The continuing need of Indian people for decent and safe housing and the lack of any alternatives for Indian people to the Indian Housing Programs, means we must vehemently object to the President's Budget Recission. The people of the Fond du Lac Reservation have worked hard to establish a Housing Program that will help them to achieve decent and safe homes for themselves and their descendants and are frustrated and angry at seeing their hopes for the present and future taken from them by the President's budget recissions.

Respectfully submitted,

William J. Houle,
Chairman
Fond du Lac R.B.C.

Harold Diver

Harold Diver
Chairman
Fond du Lac Reservation Housing Authority

PREPARED STATEMENT OF PHILLIP MARTIN, CHIEF, MISSISSIPPI BAND OF CHOCTAW INDIANS, AND PRESIDENT, NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION

My name is Phillip Martin, and I am the elected Chief of the Mississippi Band of Choctaw Indians, as well as current President of the National Tribal Chairmen's Association. I will be speaking from both local and national points of view today, and will read only the first few pages of my written remarks at this time.

I recently testified on the House side before the Appropriations Subcommittee on the Interior. Having served as a tribal chairman for a number of years, the annual BIA/IHS appropriations process has become rather repetitive to me, with each tribe requesting budget add-ons to meet extreme needs, which are described in detail; tribes often hoping for a higher level of consideration from the Congress than they have found at OMB. Some tribes find this to be a form of begging and choose not to participate.

Last year, this process was changed in character, because Indian budgets became a part of the national Administration's effort to reduce expenditures in social programs, a category into which Indian programs were lumped, and to increase expenditures related to the national defense. Although the Congress disagreed in a majority of instances with the massive Indian appropriation cuts proposed, and, I suppose because of this, the President's 1983 budget proposes no such massive cuts, the approach to the Indian budget by the executive branch and by some members of the Congress remains constitutionally incorrect. Indian programs, at least those in this appropriations bill, are not social programs. If they need to be categorized at all, calling them entitlement programs would be far more apt.

The constitutional obligation of the United States government with regard to Indian tribes is an enumerated power of the Congress spelled out in Article I, section 8, along with maintennace of the national defense, the coining of money, the post, and a limited number of other items. Indian programs, and certainly Snyder Act programs and all other promises embodied in treaties, are based on this specific constitutional obligation, rather than on the general welfare clause of the Preamble. Also, this obligation is one of federal government to tribal government, rather than of government to citizen.

A justification could be made that proposing a large budget increase under one enumerated area, the national defense, could raise questions of increases in other such areas; but we do not seek that. We seek rather to see if Indian program appropriations might be frozen at current overall levels until the status of Indian programs as constitutionally-obligated programs can be reclarified. This freeze would make our contribution to fighting inflation and improving the economy at least as great as that of other citizens and would conform with other budget plans currently under consideration in the Senate. Last year, of course, the Administration proposed a budget which would have hit Indians with four times the severity as it would have the average citizen.

Tribes are well aware that the only course to take at this point in our history is away from welfare and towards economic development. My tribe, the Mississippi Band of Choctaw Indians, and its 4,500 members, have achieved great success in the economic development area. After over ten years of planning and development, we have within the past three years, created over 450 permanent private sector jobs in tribal

enterprises. This sort of development has not been the case with other tribes, and there is a Catch-22 involved. The Indian programs system is structured so that it appears Indians must surrender whatever potential they might have for economic self-sufficiency in order to maintain an assurance they will continue to receive aid from the Bureau of Indian Affairs and the Indian Health Service. This is true of both tribal governments and individual Indian people. Though Termination, which made this situation official policy, is in abeyance, the Catch-22 remains an obvious, underlying part of the budget policy of the national Administration. Thus it is not my aim to plead against budget cuts on the grounds that Indian people are "truly needy" (though by all measurements, they are the neediest subgroup in the American culture), because to do so would trigger the claim that once tribes become economically self-sufficient, the federal government would lose whatever obligations it may now have.

The federal government's fiduciary relationship with tribes did not arise because of compassion for low-income Indian families, but as consideration for the surrender by Indian tribes of practically all of the land which makes up the United States, and the fact that preexisting sovereign governments had been pushed into dependency by superior force of arms. I might add that the exercise of a relationship through treaty rather than war had, in part, a budgetary basis. "Supply-siders" of the early nineteenth century, when their calculations revealed that it was costing the federal government over one million dollars for each Indian killed,* decided Indian removal was a more cost-efficient policy. Removal of the vast majority of the members of my tribe to Oklahoma in 1831

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* Cited in Vine Deloria, Jr., (ed.): Of Utmost Good Faith (San Francisco, Straight Arrow, 1981) p. 40.

was made even more cost-effective when the federal government failed to carry out our treaty's "safety net" provision.

At any rate, our specific concerns with the President's budget request on Indian programs are these. The Community Health Representative program is perhaps the most valuable part of the preventive health activities in IHS, and should be maintained at current levels and certainly not eliminated. Many reservations are in dire need of health facilities, and some health facility construction effort must be carried on. Indian Education Act programs, a rarity in that they are innovative, deserve neither a 37 per cent reduction nor a place in the BIA bureaucracy. Nor should the BIA enter into the business of serving members of non-federally recognized tribes. The closing of three boarding schools may make sense budgetarily, but its proposal has not been carried out in accordance with Public Law 95-561. As chairman of an eastern tribe, I am opposed to the manner in which BIA proposes to implement the $16 million reduction in overhead this year though not necessarily to the idea of a reduction. And I feel that BIA's increase in economic development of $10 million, while good, is far from adequate.

We also have concerns with the 90 per cent reduction in Impact Aid but this is less direct and involves possible "fall-out" from this action on tribal governments, rather than a direct hardship.

Consultation

We are very discouraged that for the second year in a row, this budget was not formulated after consultation with tribal governments (although we did receive a short "Strategy Paper" from the BIA); and that, once again, BIA and IHS did not, as required by the Wheeler-Howard

Act "advise [each] tribe or its tribal council of all appropriation estimates . . . for the benefit of the tribe prior to the submission of such estimates to . . . the Congress."

Community Health Representative

The Indian Health Service has justified the elimination of the Community Health Representative program by citing a "focus" on direct medical care. This means to us a general abandonment of the preventive health approach, and, perhaps more importantly, a general shift by IHS away from tribal contracting. (All CHR's are contract positions.) Both BIA and IHS over the last two years have shown a tendency to propose cuts to the programs most often contracted by tribes and increases to those less frequently contracted.

CHR's bridge the gap between health care providers and community people, a gap that is very wide in Indian Country. On our reservation, CHR's provide vital linkages in emergency ambulance service, hearing screening, medical records, health education, transportation, interpretation, patient education, school health, and coordination with traditional practitioners. The Anglo medical care system cannot communicate with Indian communities without CHR's to serve as translators. And, the mortality rate among Indian people cannot be substantially lowered without preventive health activities to relieve the crisis atmosphere and over-crowded conditions at inpatient facilities.

Health Facilities

Facilities construction is a necessary part of continuation of federal obligations. The delay of at least a year in federal construction, as proposed, will cause another year of decay in the already obsolete IHS hospitals and clinics around the country. As the Chairman

of a tribe with a modern health facility, I am well aware of the improvements that facilities can bring to the overall health status of a tribe. I see no way the federal government can even approach achieving the promises made in the Indian Health Care Improvement Act, Public Law 94-437, without continued construction of modern facilities to replace the antiques.

Indian Edcuation Act Programs

Because of the bureaucratized nature of BIA-administered reservation schools, the Part B programs are the only resource available to tribes having such schools for innovative programs that can achieve institutional change. The Part C programs fall in this same area as well because they and BIA adult education funds provide the only source of funds for correcting past institutional mistakes of the BIA schools. The Part A programs in the public schools have often served this innovative purpose as well, though, as you know, there have been continuing problems in Part A with the definition of the clientele, the vast majority of whom are not members of federally-recognized tribes, and a substantial number of whom merely claim Indian blood. Part A grantees are different, too, in that discretionary funds, Johnson O'Malley, and Impact Aid are available to them and not to reservation schools. As such, in addition to restoring Title IV to a level of $81 million, I would recommend increases to parts B and C.

Neither tribes nor Title IV grantees were consulted on the proposed placement of Indian Education Act programs in Interior. It is difficult to knowledgeably oppose the move because we have not been given any information on all of the options that were, and are, available. It is clear to me, however, that the constituency served by Title IV is

significantly different, and wider, than the federally-recognized tribes. And it is my firm belief that the BIA should only provide services to federally-recognized tribes. Should Congress feel otherwise, legislative language similar to that in Title V of the Indian Health Care Improvement Act concerning urban projects, would have to be adopted.

Boarding Schools

Public Law 95-561 requires, in section 1122, that a detailed plan for boarding schools be submitted to the appropriate Committees of Congress. This has not been done. The Bureau's own policies provide (25 CFR 31a.4.) that school boards will be notified, for "information and consultation" of pending appropriations. This has not occurred. Yet the Bureau is proposing the closing of elementary boarding schools at Concho and Wahpeton, as well as SIPI. Perhaps the cost effectiveness of these institutions is questionable, but this must be demonstrated to Indian people.

$16 Million Overhead Reduction

Although I have a local objection to the closures of the Eastern Area Office which BIA is proposing as a response to this cut, I also have a more general worry about the reduction. Knowing the BIA as I do, I simply find it difficult to believe that the Bureau and Bureau employees will absorb the entire $16 million cut; I know the Bureau will find a way to reduce tribal indirect costs or some other area of tribal administration. This suspicion is a result of viewing implementation of 93-638 for nearly a decade. As more and more tribes have contracted for the operation of Bureau programs, have BIA administrative costs declined in inverse ratio? Absolutely not. BIA administrative costs, in fact have mushroomed; and I see little in the way of growing attitudes of self-sacrifice among BIA administrators.

The Bureau says it will absorb the $16 million decrease through elimination of area offices at Billings, Anadarko, and Arlington, transferring agencies to various other area offices. I am sure this will place hardships on tribal governments in the Billings and Anadarko areas, but I know first hand the problems of non-existence of an Eastern Area Office. When our tribe was served from Muskogee, we were treated as stepchildren, and we struggled hard, because of that, to work with the BIA in establishment of a Southeastern Agencies Office within the Central Offices, which later became the EAO. Though this is the smallest and most understaffed of area offices, the Eastern Area Office has provided the basic services we need.

Eastern tribes, though each has its own culture, are quite different in an overall sense from the tribes west of the Mississippi. Land base and land claims constitute just one aspect of this difference. In addition, the tribes of the East are consolidated in a single inter-tribal organization, United South and Eastern Tribes.

The closure of these area offices will mean a savings to the government, but a much higher cost to tribal governments in the areas of travel and telephone.

It is my understanding that the Bureau has already told the press that the closure plan will be implemented "no matter what." Because of the lack of consultation on this matter (Indian leaders were called in for a one-hour "briefing" two weeks ago) I would urge the Congress to delay the $16 million reduction until 1984, and require the Bureau to produce a written Area Office Plan, that would include an evaluation of current area office performance.

A more indepth statement on the area office problem is being prepared by USET, and will be shared with you later.

Impact Aid

The 90 per cent reduction in Impact Aid, School Construction Affecting Indian Students will not impact tribal governments directly, but could result in a significant loss of educational opportunity for Indian students enrolled in the public schools. For the same reasons health facility construction must remain an ongoing effort, so must school construction.

Economic Development

The Bureau has proposed a major new emphasis on economic development for tribes which I wholeheartedly endorse, but the $10 million increase set aside for this purpose is woefully inadequate to even begin a worthwhile economic development effort. Tribes' main source of development assistance, EDA, is dead. It appears that the enterprise zone concept will be of little value to reservation economies. Thus, the Bureau is the only government agency to which tribal governments interested in pursuing aggressive development can turn. Secretary Watt told the NTCA Board at a meeting three weeks ago, our first meeting with the Secretary, that economic development was his "number one priority" for tribes, and that "there is no substitute for jobs."

It seems to me the perfect vehicle for this would be renewed appropriations for Indian Finance Act programs. Although some implementation problem arose with this program in the past, it has always been unclear to me first why it was defunded. The committee, and the Bureau, might consider limiting IFA appropriations to industrial development activities and to dealing with individual business ventures through an expanded Revolving Credit fund.

I would be glad to provide any additional information requested.

TESTIMONY ON THE FY 1983 BUDGET OF THE INDIAN HEALTH SERVICE

PRESENTED ON BEHALF OF NIHB, NTCA, AND NCAI

February 1982

My name is H. D. Tinn Williams and I am the Vice Chairman of the National Indian Health Board. On behalf of our membership and that of the National Congress of American Indians and the National Tribal Chairmen's Association, I would like to thank you for providing us this opportunity to voice our concerns regarding the proposed FY 1983 budget for the Indian Health Service

We would like to make comments on each of the IHS budget categories. Before doing this however, I would like to make some brief comments on the present situation.

As I am sure you can imagine, these first few months of FY 1982 have been extremely difficult for Indian Tribes and Urban Health Organizations. Because the IHS area offices have not yet received their final allocation figures for FY 1982, tribes and Indian health projects have been operating on budgets which fluctuate constantly. As a result, Indian Health Directors have been forced to spend an exorbitant amount of time adjusting budgets. Staff morale is low, with people not knowing when or if they will have a job; and the quality of health services to our people has clearly suffered. To make matters worse, consultation sessions, training, and contract negotiations have been severely inhibited by the freeze on travel of IHS employees.

While we realize that this has been a difficult year for the Congress and IHS, we are hopeful that something will be done to correct this situation immediately.

We are also deeply concerned that IHS has not yet presented a request to cover the anticipated FY 1982 pay raise for IHS employees. This pay raise will cost over $18 million. If specific provisions are not made these monies will have to be taken from the IHS program services with the largest percentage coming from the IHS clinical services budget.

This situation has occurred in the past and has severely hindered IHS' ability to deliver services. For example, the Portland Area in 1980 was forced to "Absorb" $193,000 from its services budget. This figure was increased to $331,000 in 1981 and it is anticipated that it will be further increased to $948,000 in FY 1982 and well over a million dollars in FY 1983. We therefore ask the Committee to provide $18 million in a supplemental 1982 Appropriations to cover the Congressionally mandated pay increases for IHS employees.

In addition to these problems, we understand the IHS has yet to be reimbursed for the transfer of over 150 Commission Corp staff from PHS. The monies which IHS has not received for the relocation of these personnel and for their increased salaries is placing a drain on IHS' allocations. The problem is conpounded by the fact that numerous Indian tribes have informed us that a substantial percentage of the PHS medical personnel accepted for transfer by IHS are not yet practicing in the IHS facilities but are either on paid annual leave or have rejected the available positions offered them. We would like this Committee to investigate the total impact of this transfer both on the IHS budget and on the actual delivery of patient care, and do whatever possible to correct this obvious mess.

CLINICAL SERVICES

The Administration's requested increase for clinical services for FY 1983 is misleading. While the dollar figures themselves are higher, inflation in the health area is higher yet. According to IHS' own estimates, due to a 1981 health care inflation rate of 12%, its ability to provide or purchase clinical services has been reduced by $58 million from FY 1981-FY 1982. This estimate does not take into account changes in the Medicare/Medicaid collections rate which, given Congressionally imposed limitations, will further decrease available funds.

Indian communities, since January, 1981 have felt the effects of cuts in the form of discontinued surgical services and extreme restrictions on contract care. In Portland, Aberdeen, Phoenix and other areas Contract Care monies can only be spent for Priority One services. This means that medical assistance is limited only to procedures necessary to save life or limb. These situations can be prevented. For example, the Aberdeen area has four hospital facilities presently equipped to provide surgery. While many of these facilities are in extreme need of renovation, the only thing preventing them from instituting surgical procedures is a lack of surgical staff. Coupled with this the federal freeze on hiring is leaving practitioner and support positions unfilled despite the fact that the IHS recruitment program has a number of people available and ready to go to work. IHS will lose these candidates if they are not placed in the very near future.

Continued cuts in these programs, due to inflation and the hiring freezes on health providers, have already resulted in severely hindering IHS' ability to maintain accreditation standards. If IHS facilities lose their accreditation, they will be unable to collect Medicare/Medicaid funds.

In compliance with Congressional reporting requirements for Title VII of the Indian Health Care Improvement Act, tribes and Indian organizations participated in a massive health planning project to identify the unmet health care needs of Indian people. Unfortunately, these tribal documents, the Tribal Specific Health Plans, have been virtually ignored in the appropriation and allocation of IHS resources.

We therefore respectfully request this Committee to encourage the increase of the IHS Hospital and Clinics budget to adequately address the health care needs identified in the Tribal Specific Health Plans.

CONTRACT HEALTH CARE

As I am sure you are aware, the contract health care programs of most IHS area offices ran extremely short of funds in FY 1981. It is our understanding that all IHS service units were placed on priority one services as early as February 1, 1981. This has resulted in deferred surgery and the provision of only those medical procedures necessary to preserve life and limb. It is extremely upsetting to us that in 1982 many Indian people must still be placed on long waiting lists for gall bladder, hernia and other such critically painful maladies. The Aberdeen area alone has 730 such cases at present. Deferred surgery leads to increased medical complications and in many instances, longer, expensive hospital stays which could be avoided.

The Contract Health Budget has also been impacted by changes in other health care programs. As you may recall, from our testimony last year, the proposed closing of PHS hospitals in Seattle and San Francisco would have a definite impact on the contract care budget. This has happened. Recent statistics from the Portland Area Office point out that the cost of providing in-hospital care in the Northwest area has more than doubled since the closure of the Seattle PHS hospital. Portland Area Office has indicated that they anticipate a shortage of over $2 million in contract care for FY 1982. In the Phoenix

Area, Oweyee and Shurz hospitals will have used up all contract care monies by July 1, 1982. Cuts in tribal ambulance programs, due to the loss of CETA personnel, have also impacted this budget. Because tribal ambulance corps have been forced to limit their staff hours of operation, high cost private ambulance services have had to be used to a larger degree with Contract Care footing the bill.

IHS has proposed to solve these problems by opening bids for contract care to all health facilities within a 90 mile radius of IHS service units. At this point in time, Indian tribes have not been informed of the criteria to be used to evaluate proposals. Given the poor roads and isolation of many tribes a 90 mile radius could prove prohibitive. Such a proposal requires further in-depth scrutiny and direct tribal involvement. We ask you to examine these facts and request an increase in the contract care budget to cover necessary costs and inflation. This can best be accomplished by asking for a written report from each of the IHS service units comparing the number and level of services from 1978 to present.

ALCOHOLISM

Indian alcoholism projects have clearly been one of the lowest funded of al health projects. Despite the statistics which clearly document our need, Indian alcoholism projects continue to have their services eaten away by inflation. We are extremely pleased that the Administration has agreed to transfer the NIAAA Indian projects into IHS. We are now hopeful that the appropriations committee will provide adequate funds to return all Indian alcoholism projects to the highest level of operation.

MAINTENANCE AND REPAIR

Our tribes and organizations continue to be concerned with the backlog in IHS maintenance and repair. Needed repairs in many facilities are directly affecting their ability to obtain or maintain accreditation. Given the fact that the committee and others have begun to view third party reimbursements as a source of operations and expansion for Indian facilities, we must raise the question, is this slow process of repairs really cost effective? We encourage this committee to review IHS' (BEMAR) Backlog of Essential Maintenance and Repairs as soon as possible in light of its impact on patient services and accreditation and make adjustments to increase this program to a cost effective level.

MEDICARE AND MEDICAID

Directly related to these comments is the issue of Medicare and Medicaid funds. While we understand appropriations committees were faced with severe constraints last year, we must object to the use of Medicare and Medicaid funds to replace actual operating appropriations. Such action results in a budget cut for Indian health programs. Our Indian programs which have done wonders with little money, are in dire need of expansion and improvement. Medicare/Medicaid payments are often our only sources for such activities. Both the amendments to the Medicare/Medicaid Law and the Indian Health Care Improvement Act state that receipts from these reimbursements shall be placed in a special fund by the Secretary and used exclusively for the purpose of making improvements and repairs necessary to bring facilities into compliance with Medicare and Medicaid standards. The legislation further requires that this program shall terminate only after all facilities are determined to be in compliance. The IHS' BEMAR studies clearly indicate that this is far from the case. We therefore encourage this committee to support the Congressional intent of P.L. 94-437 and discontinue use of these funds in offsetting appropriations.

PREVENTATIVE HEALTH

The extremely high costs of patient care in the clinical services budget line prove that preventative health requires increased emphasis. We stand adamantly opposed to this Administration's proposal to eliminate the Community Health Representative program. We disagree with the Administration's statement that the elimination of the CHR program represents "a decrease in non-patient care activities".

Allow me to explain. CHR's represent the only IHS-funded program almost exclusively under contract with Indian tribes. The flexibility of this program has allowed tribes, for the first time, to determine types of services needed at the local level which bridge the gap between the traditional delivery mechanisms. CHR's on many reservations, are the only direct health care providers and assurers of health care continuity.

Since its creation in 1968, the CHR program emphasis has shifted to meet the need for skilled professionals and paraprofessionals. At present, CHR specialists serve in such vital health areas as audiology, diabetes-mellitus and Maternal and Child Health. They also are critical staff for tribal ambulance teams, medical laboratories and pharmaceutical services in or with IHS hospitals and clinics. The shortage of funds in the clinic/hospital budgets and the federally mandated IHS hiring freeze, make the removal of these 2,200 people devastating to IHS's already strained ability to provide direct health care to Indian people. The continued need for the CHR program is substantiated by a Montana CHR study which documented a decrease in patient in-hospital days as a result of the program. By CHR provided medication delivery, blood pressure checks and regular physical check-ups with follow-up, there is a proven decrease in serious health problems, particularly for newborns, the elderly, and Indians with congenital and chronic conditions.

We urge you to examine the impact which the elimination of CHR's would have on other IHS funded programs. The greatest impact would be felt by reservation Emergency Medical Services. Of the 470 EMS staff surveyed in 1981, 50 were CETA (many of them CETA-PSE which have already been eliminated), and 204 were CHR's. Elimination of the CHR program would mean a loss of nearly 50 percent of all ambulance and first responder staff now working on reservations. This would require the use of private ambulances at a substantially higher cost which will in turn come out of the contract health care budget.

We urge that the CHR program be returned to the FY 1981 level plus inflation. This would provide for continuation of direct health care services and essential preventative health activities critical to the health and well-being of Indian people. In addition, we strongly urge that Congress direct IHS to move the program from its budget position as a preventative health line item to, more appropriately, tribal health deliver/clinical services for FY 1983 and succeeding years.

EMS

The Emergency Medical Services program is a critical and clearly underfunded element of the IHS program.

Until recent years Emergency Services were practically non-existent in American Indian and Alaska Native communities. Start-up, non-recurring funding from the Emergency Medical Services System Act and other federal, state and foundation dollars have purchased ambulances, equipment, training, manpower and provided other operating expenses.

Now that they are in place at a minimum funding level, these fledgling ambulance services are in jeopardy due to Federal reductions in the Comprehensive Employment and Training Act (CETA), CHR Program, the EMSS Act and the National Traffic Highway Act. Ambulance services to certain isolated communities have been forced to close and the loss of staff support from the CETA and CHR programs has forced other locations to operate with volunteers only.

There has been no funding increase to accomodate this rapidly emerging program except for, $1 million appropriation to upgrade EMS activities in FY 1980 and a Congressional add-on in FY 1977 of $1.35 million for EMS activities in Alaska (increased to $1.48 million in FY 1978 and $1.71 million in FY 1979).

The unmet need at this time for an effective EMS program remains at $10 million. Tribal governments and the communities they represent have passed numerous resolutions at local, regional and national levels requesting that the IHS pursue an expanded appropriation and/or redirect resources to accomodate this high priority need. We appeal to you to favorably consider an appropriation and/or identification of necessary funding for the tribal Emergency Medical Services program.

INDIAN HEALTH MANPOWER

The proposed cut in the Indian Health Manpower program is equally upsetting to Indian people. As of the FY 79-80, 94 students had graduated from health professions programs as a result of IHS support via P.L. 94-437. We are pleased to have these Indian people now working with Indian Health programs or continuing their education. Yet even with the addition of them and the Indian health professions students now enrolled, there remains a severe health manpower problem for the IHS. Significant progress has been made in placing Indians in key positions within IHS and we stand proud of these achievements. The elimination of new scholarship assistance to Indian people will bring to a halt our ability to address this problem. Indians have practically no outside health scholarship assistance programs available to them. They rely on the IHS manpower program and other effective elements such as the INMED program in North Dakota and the Berkely MPH program to obtain education in the health field. Recent statistics show that there has been a 634% increase in the number of Indian people desiring post secondary assistance. We feel that this increase is in large part due to the efforts which this committee made to assist Indian people in acquiring an undergraduate education. Indian people are finally beginning to have adequate educational backgrounds to allow them the choice of going on to post graduate education in the health area. We therefore ask this committee to again say no to the Administration's proposal to eliminate funding for new scholarship assistance by recommending at least the FY 1981 funding level ($6 million).

URBAN HEALTH

Our national organizations wish to go on record as supporting all urban healt groups in their efforts to obtain continued support for the urban health program IHS has reported that this program has fulfilled its purpose by providing a demonstration of the value of providing health and referral services for urban Indians in many circumstances. We totally agree with this statement. We disagree however, with the second portion of the statement that, "These services may now be funded, as needed, through the Department's health block grants, or other services". Statements of this nature have all too often been used as an excuse for the Administration to pull away from assisting a program. The funds are simply not there. The idea of forcing Indian people to again turn to state governments for assistance is directly contrary to the very Congressional

findings which created the urban title of P.L. 94-437. We ask this Committee to examine the amount of money Indian projects are presently receiving under Federal block grants to more fully understand and this dilemma. In the American Indian Health Care Association will provide you with further information in their testimony and again we stand in strong support of their comments and needs as defined in the Congressionally mandated Urban Specific Health Plans.

CONSTRUCTION

We understand that the delay in releasing FY 1982 dollars has placed IHS well behind schedule, increasing the backlog of clearly justified construction and renovation needs. With construction costs escalating each year and health care needs of Indian people increasing, we can only ask that the Congress not place Indian tribes in a position of waiting still another year to begin new facilities.

We would also like to speak in support of those projects which have been awarded planning and design monies in FY 1982. Several of these will have their plans and designs completed prior to the end of FY 1982 or in the beginning of FY 1983. We encourage this committee to support these plans at the earliest possible date as part of the FY 1983 budget or an FY 1983 supplemental. All too often plans are completed and cost estimates calculated which become obsolete by the time construction funds are finally made available. We are pleased that the appropriations committees have seen fit to follow planning and designs with phase one construction monies the next year. We respectfully request that you will continue this effort and propose adequate planning and design funds for the next three facilities to the IHS budget and provide phase one construction funds to the FY 1982 projects at the earliest possible date.

IHS WATER AND SEWER BUDGETS

We would also like to thank this committee for its past support of the IHS water and sewer budget. Your past actions show that you fully understand the need for funding such projects. We ask for your continued pressure on the Administration to present a request for adequate dollars to cover the clearly insufficient water and sewer needs. We would like to inform this committee that Indian organizations and tribes will be pushing hard to encourage the Congress to appropriate funds for Indian housing projects in HUD or another agency. We ask that this committee work closely with the HUD appropriations committee or any other appropriate groups to assure that the funds recommended are adequate to cover the water and sewer construction needs.

Let me close by making one very important point: the IHS budget cannot and should not be looked at in isolation. Assuring quality health services to Indian people involves a number of programs. Cuts in nutrition services, housing funds, home energy assistance and especially CETA have all created and will continue to create new problems and pressures for Indian health directors. We have been attempting to compile statistics which show just how seriously the elimination of CETA-PSE has affected the IHS budget and its services. This has been difficult given the uncertain status of the FY 1982 funding levels. We can tell you however that almost all programs have had to dip into their limited budgets to fund clerical, outreach and ambulance positions which have traditionally been held by CETA employees.

We would also like to take issue with comments that Indian tribes do not assist in providing support for their own programs. The Administration seems

to be pushing tribes in two different directions: service delivery and economic development. Given the fact that tribes do not have a tax base, tribal funds are very limited. Tribal governments are forced to decide whether to take whatever tribal funds are available and invest them in long range economic development or in providing services to protect the physical and emotional well being of their people. When considering health programs the decision has been obvious, services must come first. If this Administration tryly wants to see Indian tribes gain in economic self-sufficiency, they must continue services at a level which provides them with real and viable options for the use of their limited funds.

Let me, in closing, state that we are all a team which is trying to fight the common enemies of human need and economic distress. NIHB stands ready and willing to assist IHS and this committee in any way possible to solve these common problems.

On behalf of our organizations and tribes, I would like to thank you for this opportunity to present our testimony here today.

95-868 O - 83 - 17

TESTIMONY OF THE NATIONAL INDIAN BOARD ON ALCOHOLISM AND DRUG ABUSE BEFORE THE SUBCOMMITTEE ON INTERIOR, COMMITTEE ON APPROPRIATIONS, UNITED STATES SENATE, FEBRUARY 26, 1982, MR. JAKE WHITECROW, EXECUTIVE DIRECTOR NIHB.

Summary of Recommended Appropriation: Programmatic Budget $23,668,400; Office of Alcoholism and Drug Programs $400,000; National Indian Advisory Council on Alcohol and Drug Problems $150,000; American Indian/Alaskan Native Programmatic Study $150,000; Training $350,000; Certification $300,000; Total $25,018,400.

The NIBADA's Board of Directors membership is composed of individuals elected two (2) each from the twelve (12) Indian Health Service areas and the composition provides a responsible and responsive group to advocate for the problem of alcoholism and other drug abuse.

Honorable Mr. Yates, over the years you have received testimony about the terrible impact these very complex problems have on the American Indian/ Alaskan and perhaps we do not need to reinforce this past testimony. Now, we base this assumption on past testimony, I refer specifically to an interchang between this committee and Dr. Emory Johnson, in 1978,"---Mr. Yates. Is it hit or miss or by guess or by gosh? Dr. Johnson: Yes, we need several thing For one thing, Mr. Chairman, there has been very, very little research done o Indian Alcoholism. Mr. Yates: Oh, my heavens, as long as I have been on thi committee and even before, alcoholism has been the biggest problem that the Indian people have had." If your committee needs more information concerning this problem, we would certainly provide it. We are very grateful to the Congress and especially to your committee for the fact that the disease of alcoholism is now encompassed within the Health Care system but we are very concerned about the procedures and we would wish to present to your committee the following recommendations.

PROGRAMMATIC BUDGET - $23,668,400 - An agreement between the National Institute on Alcohol Abuse and Alcoholism and the Indian Health Service was initiated in 1977, in that agreement, it was determined that after six years of supervision under the National Institute on Alcohol Abuse and Alcoholism the Indian programs would be transferred to the Indian Health Service. As indicated in the 1983 Indian Health Budget there are now 152 programs under the supervision of the Indian Health Service with a projected 1983 budget of $20,207,000. We recommend an increase of 18% ($3,461,400). These programs during their six years under the supervision of the Nationa Institute on Alcohol Abuse and Alcoholism and their subsequent supervision under the India: Heath Service have never been allowed a sound fiscal policy that would reflec a continuing basis for the delivery of services. We would strongly urge to this committee that the appropriation language reflect that the monies appropriated be used for direct services and administered through the office of Alcoholism Programs, having recommendation from the proposed National Indian Alcohol and Drug problem advisory council. The former Director of Indian Health Service, Dr. Emory Johnson, has repeatedly assured the National Indian Board on Alcoholism and Drug Abuse that the monies approved by the Congress would be utilized, in their totality, for direct services but we have been faced with some situations inwhich these monies are diverted, following is an example: The Cheyenne/Arapaho Alcohol Rehabilitation Center, a private nonprofit Corporation was granted $66,700 for the operation of an Alcoholism Rehabilitation program. This grant was made by the National Institute on Alcohol Abuse and Alcoholism and after the transfer of the program to the Indian Health Service a contract was negotiated with the Cheyenne and Arapaho Tribes (Tribal Government) in the amount of $66,700 and the Tribal Government was allowed 26.5% of this amount for "Indirect Costs," consequently leaving only $49,025 for direct services.

OFFICE OF ALCOHOLISM AND DRUG PROGRAMS - $400,000 - Because of the enormity c alcohol and drug problems, this office should be established to be a strong advocate for policy determination at the national level. This separate ident fiable administrative responsibility must involve with needs assessment, program implementation and evaluation and fiscal policies. Although we recog nize that the alcohol and drug problems are now within the Health Care System it should also be recognized that the treatment and rehabilitation of the alcohol and drug problem is an entirely new discipline and is ready to get ou of the mainstream of medicine. Tribal sovereignty, we believe, totally in this concept but in the foreseeable future, no one tribe will have the resources available to offer its clients the continum of care necessary, neither in quality of facilities nor in quality of manpower, so policy decisions must be from a central point and transcend tribal boundaries to effectively address this problem.

THE NATIONAL INDIAN ADVISORY COUNCIL ON ALCOHOL AND DRUG PROBLEM $150,000 - We consider ourselves pragmatic and not theoretical and, we have not had the opportunity of making valuable contributions to the processes within the establishment, especially in research. We strongly recommend the establishment of a National Indian Council on Alcohol and Drug problems.

AMERICAN INDIAN/ALASKAN NATIVE PROGRAMMATIC STUDY $150,000 - The treatment of alcoholism is an evolving and relatively new health care specialty. Indian Health Service's major responsibility is seeing American Indian/Alaskan Nativ have access to high quality services. The Indian Health Service, however, ha lacked a universally accepted model of the ideal service system; accordingly, it has followed an eclectic approach by supporting many kinds of programs and treatment approaches. This has not produced uniformity in services, nor has it eliminated such problems as poorly funded programs under served groups, gaps in referral procedures and shortages of well-trained counselors.

OBJECTIVES - a. To develop a universally accepted model of the ideal service system. b. To develop impact data for Indian Health budget process. c. Examine cost effectiveness between alcohol programs; Traditional Health Care i.e. Hospitals, clinics, etc. Criminal Justice system. d. Examine non-Indian functional alcohol programs. e. Primary emphasis at Present Time is on: 1. Data Reporting Systems. 2. Cost effectiveness. 3. Achievement of: a. Social Goals. b. Funding objectives. Should be - Developing measures of program effectiveness - Focusing on individual recipient of services. Confusion over: 1. Programs. 2. Therapeutic Modalities. 3. Developmental Processes. f. The need to increase capability of research and evaluation of manpower to: assess developmental characteristics of individual clients; then develop instruments and procedures for monitoring and evaluations of growth and development in these areas; also need to increase skill base in implicit goals analysis of: 1. Programs. 2. Practitioners (counselors). 3. Client performance.

TRAINING $350,000 - The National Indian Board on Alcoholism and Drug Abuse recommends an appropriation of $350,000 in FY 1983, for IHS supported training in the alcoholism field. There are still too many medical and professional schools with little or no curricula in the area of alcoholism. As a resul all too many times a primary diagnosis of alcoholism is overlooked. It is no just physicians who lack alcoholism identification and treatment training, but other professionals and paraprofessionals, including clinicians, psychologists, social workers, nurses, and others who are important contributors to our health system. A new profession which has come to the forefront in alcoholism treatment is the professional alcoholism counselor. The National Indian Board on Alcoholiam and Drug Abuse supports expanded development of these dedicated professionals as effective and efficient providers of care

and guidance. Our recommendation would permit the training of 1,500 individuals representing the entire spectrum of disciplines. The field of alcoholism is a health manpower "shortage area". Adequate appropriations could begin to change that.

ALCOHOLISM COUNSELOR CERTIFICATION $300,000 - The National Indian Board on Alcoholism recommends an appropriation of $300,000 in FY 1983, for Indian Health Service-supported certification of counselors in the field of alcoholism. The National Indian Board on Alcoholism and Drug Abuse has developed a credentialing mechanism through which to bestow a standard of certification for these counselors. The desired results of this certification process is to assure that persons who perform certain functions possess the necessary qualifications and skills to meet their responsibilities. It also insures that the public interest is served by adequately trained and experienced personnel. We wish to see these counselors brought in from the periphery of the health care system in order to reduce a treatment approach dominated by more expensive and frequently less effective purely medical methods.

One of the primary conclusions we are attempting to arrive at in this presentation is the blending of two codes of conduct: Aristotle's ethics of prudence and Confucius's ethics of interdependence. Aristotle assumed that a leader's only choice is whether to lead others to right or wrong action. Everyone knows the difference, he said, and a leader must face up to his own deeds as well as those he inspires. Confucius divided behavior into five types of interaction: Master/servant; father/child; husband/wife; oldest brother/sibling; friend/friend. In each relationship "right behavior" consists of mutually beneficial actions.

Aristotelian ethics acknowledges that highly visible executives in today's society of organization" can "set the tone" for subordinates, and, Confucian ethic's emphasis on mutual benefits should appeal to manager, consumer and employee alike.

In essence that is our recommendation for the Office of Alcohol and Drug Problems and the National Indian Council on Alcohol and Drug Problems. The National Indian Board on Alcoholism and Drug Abuse suggests that the Department of Health and Human Services initiate policies and procedures to alleviate the enormous impact on the American Indian/Native Alaskan of Alcohol and Drug-related problems; including the alarming incidence of alcoholism among Indian Health Service personnel and Tribal Governments and t call upon the Indian Health Service to use its authority to do the same. We urge you to undertake the following primary actions to fulfill the responsibilities of the Department of Health and Human Services in attacking this great enigma:

1. That the Secretary personally issue a policy statement recognizing the gravity of the problem and committing the Department to progressive action.

2. That the Secretary call a national conference to consider the aspects of the problem and to call citizen attention to its gravity and ramifications.

3. That the Bureau of Indian Affairs be mandated through executive order to commit additional resources to deal with alcohol and drug-related problems as they relate to the social and economic conditions education, police, courts and corrections.

FLATHEAD RESERVATION AREA

COMPREHENSIVE ALCOHOLISM PROGRAM

P.O. Box 270 Ronan, Montana 59864

Area Code (406)676-0441, 0596, 2770

February 11, 1982

Dr. Everett Rhoades, Director
Indian Health Service
Parklawn Building
Room 5A-55
5600 Fishers Lane
Rockville, MD 20857

Dear Dr. Rhoades:

For your information, please find enclosed a Resolution adopted by the Confederated Salish and Kootenai Tribes of the Flathead Reservation requesting that Alcoholism be placed as a line item in the 1983 Fiscal Year Indian Health Service budget. I feel this demonstrates a real commitment from our Tribal Council to combat alcoholism on the Reservation and hope that it will result in a more active commitment from the Indian Health Service.

If you have any questions, please feel free to contact me at the above address or telephone number.

Sincerely,

Cathi D. Shortman
Executive Treatment Director
FRACAP

XC: Senator Max Baucus
Senator John Melcher
Honorable Sidney R. Yates
Honorable Tom Loeffler
Honorable Ralph Regula
Honorable Joseph McDade
Honorable Les Au Coin
Honorable Norman Dicks
Honorable Joe P. Murtha
Honorable Clarence Long
Ms. Delores Cantarella
[redacted]

tlh

RESOLUTION
OF THE GOVERNING BODY OF
THE CONFEDERATED SALISH AND KOOTENAI TRIBES
OF THE FLATHEAD RESERVATION

RESOLUTION REQUESTING THAT ALCOHOLISM TREATMENT BE PLACED AS A LINE ITEM IN THE 1983 FISCAL YEAR INDIAN HEALTH SERVICE BUDGET.

WHEREAS, alcoholism has been defined as the number one Indian health problem and a contributing factor in the four top causes of death among Indian people;

AND WHEREAS, the present funding level for alcoholism treatment is equivalent to only approximately 5% of the total Indian Health Services' budget;

AND WHEREAS, monies used by Indian Health Service for alcoholism treatment are monies transferred from the National Institute on Alcohol Abuse and Alcoholism and have not been increased in approximately eight years for most Indian alcoholism treatment programs thereby reducing the real buying power of those funds by nearly 1/2;

AND WHEREAS, the rate of alcoholism among Indian people continues to rise and is at epidemic proportions on many Indian Reservations and has become an increasing problem among a progressively younger population;

AND WHEREAS, the recently documented Fetal Alcohol Syndrome poses an increasing threat to future Indian populations;

AND WHEREAS, the neglect to adequately adress and combat this issue of Indian Alcoholism reflects the attributes of passive genocide,

NOW THEREFORE BE IT RESOLVED, that the Confederated Salish and Kootenai Tribal Council requests that the Federal Government of the United States direct Indian Health Service to elevate funding for Alcoholism treatment to the level of a line item in its budget.

C E R T I F I C A T I O N

The foregoing resolution was duly adopted on January 29, 1982, by a vote of 10 for, 0 opposed, and 0 not voting, at a regular meeting of the Tribal Council of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, pursuant to authority vested in it by Article VI, Section 1, (a), (c), and (u) of the Tribal Constitution; said Constitution adopted and approved under Section 16 of the Act of June 18, 1934 (48 Stat. 984), as amended.

ATTEST:

Executive Secretary

Chairman, Tribal Council

American Indian Center Alcoholism Program

818 East Davis • Grand Prairie, Texas 75050
214/262-1349

February 10, 1982

U.I.R.A.
Mr. George Hawkins
314 W. St.
Cordell, Oklahoma 73632

Dear George,

I am writing to you in regards to your upcoming testimony before the House Interior Subcommittee. I hope you might be able to express our concerns here at the American Indian Center Alcoholism Program to the Subcommittee.

As you know, alcoholism is the number one health problem among the Native Americans. We believe increased funding levels are of the utmost importance in order that we may provide quality alcoholism treatment to our clients. Our base funding level has increased only 15% since our inception in 1972, despite annual inflation rates of over 10% the last several years. Our employees are working at the same salary levels that were only adequate in 1972. It becomes a luxury to be able to afford to work at our program. Only thru sincere desire and concern for the magnitude and seriousness of the alcoholism problem among Native Americans are our employees motivated to continue employment with our agency.

Training funds and research efforts need to be increased among Indian Health Service Programs. I am convinced that training among Indian Health Service Programs and research conducted by Indian Health Service into the field of alcoholism is by no means proportional to the severity of the problem.

The establishment of a National Indian Alcoholism Advisor Committee, funded by congress, would be a big step toward the upgrading of alcoholism services received by the Native American. Indian Health Service has made sincere efforts to deal with alcoholism, however, with the establishment of the Advisory Committee, I believe alcoholism service providers can get the needed input into Indian Health Service that is now sometimes lacking. We need to see that all dollars that are earmarked for alcoholism do go to alcoholism services and are not funneled into areas other than alcoholism thru indirect costs, ect. In addition, the advisory committee could support more dollars being apportioned to alcoholism providers.

In closing, I would like to state that the grassroot people, those service providers, those of us who provide the direct service to clients, who see clients every day, have a voice that needs to be heard. We know the problems out in the community and on the reservations. We need more dollars to run our programs and feed and shelter our clients. We need more money to pay and train our underpaid staff. We need more dollars spent on research and evaluation. We need an advisory committee that is empathetic to our concerns.

George, Good Luck in your determined effort to see that the Native American alcoholic is provided the quality alcoholism services that will help him/her regain his/her dignity and self respect.

Sincerely,

Jack R. Scherschell

Jack R. Scherschell
Program Director

JS/dl

TESTIMONY OF THE NATIONAL INDIAN BOARD ON ALCOHOLISM AND DRUG ABUSE BEFORE THE UNITED STATES HOUSE OF REPRESENTATIVES, INTERIOR, COMMITTEE ON APPROPRIATIONS, FEBRUARY 24 1982
MR. GEORGE HAWKINS, PRESIDENT; MS WANDA FROGG AND MARY BIGHORSE, LEGISLATIVE COMMITTEE

The National Indian Board on Alcoholism and Drug Abuse, respectfully submits this testimony. The NIBADA is representative of the people involved in attempting to ameliorate the problem of alcoholism and other drug abuse among American Indians/Native Alaskans.

The NIBADA's Board of Directors membership is composed of individuals elected; two (2) each from the twelve (12) IHS areas and the composition provides a responsible and responsive group to advocate for the problem of alcoholism and other drug abuse.

Honorable Mr. Yates, over the years you have received testimony about the terrible impact these very complex problems have on the American Indian/Native Alaskan and perhaps we do not need to reinforce this past testimony.

Now, we base this assumption on past testimony, I refer specifically to an interchange between this committee and Dr. Emery Johnson, in 1978, "--- Mr. Yates. Is it hit or miss or by guess or by gosh?

Dr. Johnson. Yes; we need several things. For one thing, Mr. Chairman, there has been very, very little research done on Indian Alcoholism.

Mr. Yates. Oh, my heavens, as long as I have been on this committee and even before, alcoholism has been the biggest problem that the Indian people have had."

If your committee needs more information concerning this problem, we would certainly provide it.

We are very grateful to the Congress and especially to your committee for the fact that the disease of alcoholism is now encompassed within the Health Care system but we are very concerned about the procedures and we would wish to present to your committee the following recommendations.

PROGRAMMATIC BUDGET - $23,668,400

An agreement between the National Institute on Alcohol Abuse and Alcoholism and the Indian Health Service was initiated in 1977, in that agreement, it was determined that after six years of supervision under the National Institute on Alcohol Abuse and Alcoholism the Indian programs would be transferred to the Indian Health Service. As indicated in the 1983 Indian Health Budget there are now 152 programs under the supervision of the Indian Health Service with a projected 1983 budget of $20,207,000.

We recommend an increase of 18% ($3,461,400). These programs during their six years under the supervision of the National Institute on Alcohol Abuse and Alcoholism and their subsequent supervision under the Indian Health Service have never been allowed a sound fiscal policy that would reflect a continuing basis for the delivery of services.

On the Mescalero Reservation, the Mescalero Rehabilitation Center has been funded at an annual rate of $90,000 for the past six (6) years and because of rising costs, they have determined that in order to maintain a semblance of an alcoholism program, their only alternative is to shut-down the residential component.

The Native American Rehabilitation Association, in Portland, Oregon, has compiled a table reflecting these rising costs, the percentages are based on government released figures. The initial funding in 1975 - $123,018:

Year	Inflation Rate	Amounts required for continuation
1977	7%	8,611
1978	8.5%	10,465
1979	9.8%	12,056
1980	12.8%	15,254
1981	13.3%	16,361

The present funding is $123,018

We would strongly urge to this committee that the appropriation language reflect that the monies appropriated be used for direct services and administered through the office of Alcoholism Programs, having recommendation from the proposed National Indian Alcohol and Drug problem advisory council.

The former Director of Indian Health Service, Dr. Emery Johnson has repeatedly assured the National Indian Board on Alcoholism and Drug Abuse that the monies approved by the Congress would be utilized, in their totality, for direct services but we have been faced with some situations in which these monies are diverted, following is an example: The Cheyenne/Arapaho Alcohol Rehabilitation Center, a private non-profit Corporation was granted $66,700 for the operation of an Alcoholism Rehabilitation program. This grant was made by the National Institute on Alcohol Abuse and Alcoholism and after the transfer of the program to the Indian Health Service a contract was negotiated with the Cheyenne and Arapaho Tribes (Tribal Government) in the amount of $66,700 and the Tribal Government was allowed 26.5% of this amount for "Indirect Costs," consequently leaving only $49,025 for direct services.

OFFICE OF ALCOHOLISM AND DRUG PROGRAMS - $400,000

Because of the enormity of alcohol and drug problems, this office should be established to be a strong advocate for policy determination at the national level. This separate identifiable administrative responsibility must involve itself with needs assessment, program implementation and evaluation and fiscal policies.

Although we recognize that the alcohol and drug problems are now within the Health Care System it should also be recognized that the treatment and rehabilitation of the alcohol and drug problem is an entirely new discipline and is ready to get out of the mainstream of medicine. There are many reasons for this.

The Indian Health Service is an institution of health and in their elaborate efforts to restore patients to health use basically three different approaches and therefore has no widely accepted frame of reference. Most medical professionals view alcoholism as a "biological problem"; most psychiatric professionals view alcoholism as a "neurotic emotional problem": most psychological professionals view alcoholism as a "conditioned behaviorable problem." The state of the art has developed the alcoholism professional, a generic human service worker, basically utilizing a humane approach and requires more time and effort than the other disciplines are able to give. Also, they, the alcoholism professional, focuses on the treatment of alcoholism. The other disciplines i.e. medical, psychiatric, psychology, primarily treat the symptoms of alcoholism. The direct treatment of alcoholism could be viewed as a preventive to the other physical and mental health disorders and would greatly reduce the work load of the other disciplines, and as a corollary reducing the upward spiraling cost of the traditional health care.

Tribal sovereignty, we believe, totally in this concept but in the foreseeable future, no one tribe will have the resources available to offer its clients the continuum of care necessary, neither in quality of facilities nor in quality of manpower, so policy decisions must be from a central point and transcend tribal boundaries to effectively address this problem.

To administer the policies, we would recommend that there be an Alcohol and Drug Problem Coordinator within each of the twelve (12) Indian Health Service Areas. There is one specific condition that we would attach to the area coordinators; that these individuals be non-civil service but be on a contract basis, negotiated by the community, serviced, within each of the twelve (12) Indian Health Service areas.

THE NATIONAL INDIAN ADVISORY COUNCIL ON ALCOHOL AND DRUG PROBLEM (150,000)

We consider ourselves pragmatic and not theoretical and, we have not had the opportunity of making valuable contributions to the processes within the establishment, especially in research.

We strongly recommend the establishment of a National Indian Council on Alcohol and Drug problems, whose charter may read:

The National Indian Advisory Council on Alcohol and Drug problems shall advise, consult with, and make recommendations to, the Secretary on matters relating to the activities and functions of the Secretary in the field of alcohol and drug problems. The Council is authorized (1) to review research projects or programs submitted to or initiated by it in the field of alcohol and drug problems and recommend to the Secretary any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis and treatment of alcohol and drug problems and (2) to collect information as to studies being carried on in the field of alcohol and drug problems and, with the approval of the Secretary, make available such information through appropriate publications for the benefit of health and welfare agencies or organizations (public or private) or physicians or any other scientists, and for the information of the general public.

AMERICAN INDIAN/ALASKAN NATIVE PROGRAMMATIC STUDY $150,000

RESEARCH DESCRIPTION:

To address the question about what constitutes appropriate care, which appears to revolve around the question of whether essentially Non-Medical or essentially hospital-based services would be politically and economically more desirable. The study would address what seems to be the real issue, which is the range of morbidity and mortality that alcoholism - even without gross end-organ damage such as cirrhosis, pancreatitis,myocarditis etc. - can cause. Assuming that care is to safely restore the client to an appropriate level of physical and mental health and to enable him or her to enter into a long-range preventive maintenance or recovery program. The choice of level of care, therefore, can be based on the most cost - effective and the least disruptive measures that can be made available to accomplish this.

A. OBJECTIVES

a. To develop a universally accepted model of the ideal service system.

b. To develop impact data for Indian Health budget process.

c. Examine cost effectiveness between alcohol programs; Traditional Health care i.e. Hospitals, clinics, etc. Criminal Justice system.

d. Examine non-Indian functional alcohol programs.

SUMMARY:

The National Congress of American Indians, at their Executive meeting of April, 1980, established an alcoholism and Drug Abuse Committee and at the mid-year conference in June 1980, proposed a "Declaration War on Alcohol and Drug Abuse." The NCAI Conference in Spokane Washington, October 1980, further stated "The evidence thus presented mandates the development of appropriate mechanisms for action to create a response from the Federal agencies. The Congress and Indian Organizations to further investigate, and jointly develop strategies (emphasis supplied) for combating the problem of alcohol and Drug Abuse.

The treatment of alcoholism is an evolving and relatively new health care specialty. Indian Health Service's major responsibility is seeing American Indian/Alaskan Natives have access to high quality services. The Indian Health Service, however, has lacked a universally accepted model of the ideal service system; accordingly it has followed an eclectic approach by supporting many kinds of programs and treatment approaches. This has not produced uniformity in services, nor has it eliminated such problems as poorly funded programs under served groups, gaps in referral procedures and shortages of well-trained counselors.

Training $350,000

The National Indian Board on Alcoholism and Drug Abuse recommends an appropriation of $350,000 in FY 1983 for IHS supported training in the alcoholism field. There are still too many medical and professional schools with little or no curricula in the area of alcoholism. As a result, all too many times a primary diagnosis of alcoholism is overlooked. It is not just physicians who lack alcoholism identification and treatment training, but other professionals and paraprofessionals, including clinicians, psychologists, social workers nurses, and others who are important contributors to our health system.

A new profession which has come to the forefront in alcoholism treatment is the professional alcoholism counslor. The NIBADA supports expanded development of these dedicated professionals as effective and efficient providers of care and guidance.

Our recommendation would permit the training of 1,500 individuals representing the entire spectrum of disciplines. The field of alcoholism is a health manpower "shortage area". Adequate appropriations could begin to change that.

Alcoholism Counselor Certification $300,000

The National Indian Board on Alcoholism recommends an appropriation of $300,000 in FY 1983 for IHS-supported certification of counselors in the field of alcoholism. The NIBADA has developed a credentialing mechanism through which to bestow a standard of certification for these counselors. The desired results of this certification process is to assure that persons who perform certain functions possess the necessary qualifications and skills to meet their responsibilities. It also insures that the public interest is served by adequately trained and experienced personnel.

We wish to see these counselors brought in from the periphery of the health care system in order to reduce a treatment approach dominated by more expensive and frequently less effective purely medical methods.

Summary of Recommended Appropriation:

Programmatic Budget	$23,668,400
Office of Alcoholism and Drug Programs	400,000
National Indian Advisory Council on Alcohol and Drug Problems	150,000
American Indian/Alaskan Native Programmatic Study	150,000
Training	350,000
Certification	300,000
Total	$25,018,400

One of the primary conclusions we are attempting to arrive at in this presentation is the blending of two codes of conduct: Aristotle's ethics of prudence and Confucius's ethics of interdependence. Aristotle assumed that a leader's only choice is whether to lead others to right or wrong action. Everyone knows the difference, he said, and a leader must face up to his own deeds as well as those he inspires. Confucius divided behavior into five types of interaction: Master/servant; father/child; husband/wife; oldest brother/sibling; friend/friend. In each relationship "right behavior" consists of mutually beneficial actions.

Aristotelian ethics acknowledges that highly visible executives in today's society of organization" can "set the tone" for subordinates, and, Confucian ethic's emphasis on mutual benefits should appeal to manager, consumer and employee alike.

In essence that is our recommendation for the Office of Alcohol and Drug Problems and the National Indian Council on Alcohol and Drug Problems.

The National Indian Board on Alcoholism and Drug Abuse suggests that the Department of Health and Human Services initiate policies ana procedures to alleviate the enormous impact on the American Indian/Native Alaskan of Alcohol and Drug-related problems; including the alarming incidence of alcoholism among Indian Health Service personnel and Tribal Governments and to call upon the Indian Health Service to use its authority to do the same.

We urge you to undertake the following primary actions to fulfill the responsibilities of the Department of Human Services in attacking this great enigma:

1. That the Secretary personally issue a policy statement recognizing the gravity of the problem and committing the Department to progressive action

2. That the Secretary call a national conference to consider the aspects of the problem and to call citizen attention to its gravity and ramifications

3. That the Bureau of Indian Affairs be mandated through executive order to commit additional resources to deal with alcohol and drug related problems as they relate to the welfare, education, police, courts and corrections

TESTIMONY OF JIMMIE C. BEGAY, INTERIM DIRECTOR OF THE ASSOCIATION OF NAVAJO COMMUNITY CONTROLLED SCHOOL BOARDS, INC.

My name is Jimmie C. Begay, executive director of Rough Rock Demonstration Schooo, which is a local community controlled school on the Navajo Indian Reservation, and also interim director of the Association of Navajo Community Controlled School Boards, Inc. This association currently consists of seven contract schools: Rough Rock Demonstration School, Rock Point Community School, Black Mesa Community School, Little Singer School, Borrego Pass Community School, Ramah School Board, Inc. and Alamo Community School. All of these schools are operating under public law 93-638, which was enacted by Congress to give Indians the right to take control of their children's education. I also express the concerns we have at Rough Rock Demonstration School.

During the last ten years we have managed to improve our programs under the self determination law but we also have had constant struggles with regulations and policies which are not relevant to our operation. These are handed down by the central office of the Bureau of Indian Affairs. There is also inconsistent treatment of individual contract schools according to guidelines and also in terms of overhead funding. Some of these problems are still with the schools today.

One major area of concern to all seven contract schools is the budget cutting that came about in the first session of this Congress. Looking forward to the 1983 budget, we see even more proposed cuts in the area of Indian education. To cut even further in this area will have a devastating effect on the children's education.

During the last three years we have been functioning under provisions of public law 95-561: the Indian Schools Equalization Program.

Under this formula, all schools receive funding according to the numbers of children and youth served, with various types of students receiving weighted values. The weights assigned though are inadequate to provide for the minimal needs of the schools. An example is in the area of transportation. The formula favors boarding schools over day schools, and thus unduly penalizes contract schools (which are largely day schools). Without sufficient funds for transportation, our transportation facilities soon deteriorate due to the primitive conditions under which they operate and the physical well being of our students is endangered. Our pleas for improved roads have largely gone unheeded, with top priority being given to highway maintenance. While we could board all our day students, such would be contrary to the express wishes of our constituients and a step backward in the educational progress of Indian people.

Also, an important area of needed service to Indian children is being completely neglected: services to handicapped children from birth to five years who still live at home. Continued requests to the Bureau of Indian Affairs and to the Office of Indian Education (under provisions of Title I of public law 95-561 and 94-142) have fallen on deaf ears. This group is presently not served by the Bureau of Indian Affairs or public schools, yet experience has shown that it is the age period most critical for the best development of the child. Starting services at age five or older is almost useless and a waste of money

Comparing education programs in the budget for the Department of the Interior to other aspects of its work, it seems that there will be a decrease in overall educational funding. Decreased funding and

inadequate weight factors will cause cuts in programs and services directly affecting the students.

All school programs such as ours have operated at fiscal year 1981 funding levels for this year. To do so is especially difficult inasmuch as we have not yet received 1982 funding (though the fiscal year is now over four months old). This makes it very hard to operate the school and plan appropriately for next school year.

We have also been hearing that some programs, like Title IV, may be rescinded. Having already operated this program on faith for nearly six months, its demise would certainly be an act of bad faith to our schools.

Improvements have been noted in the management of contract schools operating under provisions of public law 93-638 and in the relationships they enjoy with the Bureau of Indian Affairs. Now we learn there is a move afoot to deny us use of GSA services. This would be a certain step backwards in our growing ability to manage our schools effectively and efficiently. To eliminate all these services would put us back in square one. We strongly oppose such contemplated action.

We also oppose what is happening to Indian education in Washington. We have seen the full time office of the Indian education program director removed from the office of the Assistant Secretary, removing any effective educational leadership and replacing it with technocrats who are not educators. Communication between the central office and the grassroots Indian people is dwindling to practically nothing. These actions have been taken without the input from Indian people that

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was supposed to be allowed.

Lest we be overwhelmed by the things we oppose, let me also emphasize the good with the bad. Contract schools are doing a good job of educating Indian children and youth. Specifically, we have more parental input into the educational system their offspring attend. Parents consider these contract schools as traditional schools, where values of their ancestors are built into the present day curricula. Without formal education themselves, the board members of all seven of our contract schools have managed to create these schools and other programs under public law 93-638 to meet the pressing needs of Indian people. We would like to continue operating under local auspices in years to come, under provisions of public law 93-638, with proper refinements in the guidelines, policies, and regulations. To amend, revise, or otherwise nibble the concept of local control of education to death would be tragic.

To function properly though, as our Indian children and youth deserve, we must have adequate funding to operate quality programs for all. Also, the Indian school boards believe they can upgrade schools with the regulations we have now. We do not need more guidelines, policies, and regulations ad infinitum. Enough is enough.

Thank you for the opportunity to talk about these issues. I would recommend that this committee keep the record open for ten days while all these schools mail in written reports to this committee to back up my testimony.

Thank you.

Written Statement of Mr. Dean C. Jackson
President, Navajo Community College
Tsaile, Navajo Nation, Arizona, Presented To The
Senate Select Committee on Indian Affairs
March 1, 1982

Mr. Chairman, my name is Dean C. Jackson. I am the President of Navajo Community College (NCC). Our College serves 175,000 members of the Navajo Nation on the 25,000 square mile Reservation in the states of New Mexico, Arizona and Utah.

Navajo Community College offers postsecondary educational services from the centrally located main campus in Tsaile, Arizona; a semi-residential branch campus in Shiprock, New Mexico; three Off-Campus Centers in Crownpoint, New Mexico, Window Rock, Arizona, and Tuba City, Arizona; one satellite location in Chinle, Arizona; and several remote locations throughout the Navajo Nation.

The Navajo Nation is currently suffering from retrenchment and realignment of Federal program support. Private industries in energy related areas have slowed expansion or reduced business activity. Construction of all forms has been stopped or reduced to minimum levels. Development of Navajo business enterprises has slowed after creating three major shopping complexes. These reduced business activities have resulted in an increase in the Tribal unemployment rate from about 32% to more than 74% as of February 1, 1982. A large number of these unemployed have marginal skills or educational levels. They are now seeking to improve their skills through programs at Navajo Community College.

Navajo Community College is proud to be the first and largest tribally controlled institution of postsecondary education. We are also the first to be fully accredited by the North Central Association of Colleges and Secondary Schools. Our Associate Degree Nursing Program is fully accredited by the Arizona State Board of Nursing. The Navajo Community College Legal Advocate Program will receive full accreditation as the only approved two-year paralegal training program by the American Bar Association during the Summer of 1982.

Navajo Community College is fully involved in cooperative institutional activities with other two-year colleges and four-year universities in the region. Active roles of leadership and participation are held in:

1. Association of American Colleges (AAC)
2. American Association of Junior and Community Colleges (AACJC)
3. American Association of College Registrars and Admission Officers (AACRA)
4. New Mexico Vocational Education Association (NMVEA)
5. Vocational and Industrial Clubs of America (VICA)
6. Arizona Higher Education Coordination Council (AHECC)
7. Arizona Vocational Education Association (AVEA)
8. American Indian Higher Education Consortium (AIHEC)
9. Arizona Association of Student Personnel Administrators (AASPA)
10. Arizona Community College Athletic Conference (ACCAC)
11. American Indian Science and Engineering Society (AISES)

and other professional groups relating to providing quality educational services to students.

The efforts of Navajo Community College to provide quality educational services are reflected in a progressively increasing enrollment. With the exception of the Fall, 1981 semester, we have recorded dramatic increases. I refer you to Attachment "A". Last Fall our student enrollment decreased because of the uncertainty of the funds required to start classes and the publicity attached to those uncertainties. This semester we have tabulated early figures which indicate about 1,142 full-time student equivalents, or approximately 2,218 students unduplicated head count. All served through a time of reduced Federal support.

Student retention and completion rates for our Indian students reflect the success of our programs. The average retention rate for the Native American Indian student at the University of New Mexico, Northern Arizona University, Utah State University, Arizona State University, New Mexico State University, and the University of Arizona is about 20%. The retention rate for residential students at Navajo Community College, on the other hand, is in excess of 80%. According to a recent survey of Navajo Community College graduates, more than 92% of our graduates in Associate of Arts Degree programs transfer to four-year schools and complete Baccalaureate Degrees. This year marks the first Navajo Community College graduate to complete a M.D. degree. Two years ago, a Navajo Community College graduate completed the Ph.D. Degree at the University of Arizona. One of the first Nursing Degree Program graduate is Charge Nurse

Public Health Services, Tuba City Hospital. Our graduates are successful. However, adequate money is required to maintain and improve this record.

In addition to our various courses of study, we offer specialized classroom training on an intermediate or short-term basis required to fill specific needs of the Navajo Tribe and the Navajo people. During the current year, we have provided training in the following areas to the number of people indicated:

1. Computer Operators (31)
2. Computer Programmers (14)
3. Livestock Herd Health (74)
4. Clerical Training for Chapter Offices (133)
5. Paralegal Researchers (14)
6. Legal Advocates (43)
7. Court Interpreters (8)
8. Emergency Medical Technicians (124)
9. Teacher Aides (143)
10. Engineering Aides (18)
11. Direct Health Care Workers (28)
12. Environmental Health and Safety Technicians (10)
13. Medical Supply Warehousemen (4)
14. Medical Environmental Aides (5)
15. Small Business Management (135)

Plus other training opportunities in welding, automotive technology, and regular training programs. Experiences vary from a short-course in business as a part of the American Association of Junior and Community Colleges sponsored National Small Business Network, to fully sponsored two-year programs in allied health. More than 4,000 individuals have been served over the past year by our Conferences and Workshop office.

Private industry has been developing on the Navajo. We have worked with local employers to provide trained personnel for work

in the Navajo Nation. A prime example is our efforts with Basha's Food Markets, Glen Canyon Power Plant, Peabody Coal, Dine Cooperative, and several other large and small enterprises. One of our largest consumers of training for their personnel is the Bureau of Indian Affairs. Our programs are a contributing factor in gaining self-determination and self-sufficiency.

The reduction of the College's federal appropriation from $6.4 million in school year 1980-1981 to $3.1 million last year proved nearly fatal -- the $3.8 million allocation for this year is hardly an improvement. The $5.2 million requested for school year 1982-1983 (Fiscal Year 1983) provides only a bare operating support level considering increased costs and demands for services (see Attachment "B").

A major impact of steady-state or reduced funding has been a predictable increase in class size and student-teacher ratio. Although research cannot support or disprove the influences of class size, we do know that individual instructor efforts and the tutorial approach to teaching composition improves student performance for our students. This is critically important when more than 72% of our entering residential students require remedial or developmental instruction in at least one of the three basic skills areas: reading, composition or math. There is a point past which class size should not increase. Good management may often conflict with good education practices when this point is reached. Navajo Community College is past that point (see Attachment "C").

In order to maintain this minimum level of service to the Navajo Nation, Navajo Community College will require funding in three areas at a minimum level for institutional survival:

1.	Operational Funds	$ 5,200,000
2.	Physical Plant Maintenance	1,750,000
3.	Capital Equipment	630,000

In compliance with 25 CFR Part 32b as published in the Federal Regulations, Volume 44, Number 226, on November 21, 1979, Navajo Community College has submitted its application for the Fiscal Year 1983 operating funds grant in the amount of $5,200,000.

Based on Public Law 95-471, as amended by Public Law 96-374, we are requesting monies for Physical Plant Maintenance in the minimal amount of $1,750,000 and Capital Equipment monies in the minimum amount of $630,000. This is specified in the Amended Act, Public Law 96-374, Part F, Section b(1).

A detailed 1983 Budget for Operating Funds is attached (see Attachment "D").

The Navajo Community College Campus at Tsaile, Arizona, has completed construction of Phase I of a three phase construction program eight years ago. Phases 2 and 3 have not been implemented. Nor has monies been made available for plant maintenance. We, too, are guilty of the charges O.M.B. levelled at the National Labs: No Maintenance. Why? No appropriation has been made in order to protect the multi-million dollar investment. In the near future, our Shiprock Campus will also require maintenance funds for the old Bureau of Indian Affairs Boarding School it is using in place

of authorized new construction. The need for plant renovation has been identified in our needs assessment for physical facilities (see Attachment "E").

We would like to invite you to visit our campus. It lies in a small valley at the foot of the Chuska Mountains at an altitude of 7,300 feet. Snow covered pines and pinon surround the campus. From a distance, it is an awe inspiring sight -- a six floor, octagon building rising from the forest, but seeming to be a natural part of it. However, building defects are soon apparent. Try to enter the ground floor doorway. Two supporting columns are sinking, which generates a list in doors, cracks in walls and, soon to be unsafe conditions. Ice formed in building cracks three weeks ago, then thawed. The resulting flood nearly cost the use of our computer, xerox machines, and print shop equipment -- all nearly irreplaceable in the current budget condition. Our general classroom building roof leaks to the extent it is a challenge not to find a wet spot. Settling has frozen two sets of main entryway doors. The building itself will soon become two separate units -- accelerated by a crack currently more than an inch in width and growing. The heating units in the Library and Culture Center no longer are automatic -- extensive repairs are needed to the control system. The Student Services area has no heat. The list goes on...and on...and on.

Finally, our equipment has not been systematically replaced or updated. Instructors in the automotive technology program have excellent AV materials of engines and related parts -- all from

1974 and earlier. The engine analyses machine used last year was surplus property from the State of Arizona. When it gave up the ghost last semester, program monies were used to rent a replacement for this semester. We could not afford the $21,000 plus price tag to purchase a replacement. Equipment in the office and career education areas, the welding shop, physical education, and audio visual departments are in much the same shape. A predictable and planned replacement program is needed for equipment.

Therefore, Mr. Chairman and Subcommittee Members, in summary I would like to review the effects and results of reduced funding from the level of our request:

1. A successful academic and vocational training institution will be forced to reduce services in a period when financial support for all education is reduced, but especially the low income, minority student living in a geographically remote area will be affected.
2. With reduced or level funding, high cost-low enrollment programs will be cut, e.g., nursing, para-vet, para-legal, automotive, welding, office education, etc., ...all badly needed skills and professions on the Navajo.
3. Programs remaining will serve large numbers of students, but provide little utility, or provide immediate skills for students in other than transfer programs. In effect, Navajo Community College would become a liberal arts college.

4. With no funds for equipment updating, the effectiveness of technical programs will be gutted -- the quality will suffer to the point that item number 3 will become operateable any way.
5. The physical plant will deteriorate to the point that even major reconstruction will not remedy the problems. Greatly increased costs will be the result in the long run, or the buildings will rapidly become totally unsafe for instructional purposes.
6. With steady reduced or steady funds, not only will programs be reduced, but the better trained faculty and staff will seek other employment, accreditation of the institution will be threatened, and all that has been gained over the past thirteen years will be lost.
7. The standards of good educational management, which we have followed according to the Inspector General's report for Navajo Community College, requires a stable and reasonably predictable source of funds. It is impossible to manage an institutional budget with no knowledge of the funding level until the expenditure year has been half completed.

Therefore, I respectfully request you favorably consider our request for Fiscal Year 1983 funds at a level adequate to do the excellent job we have been doing in the past and can improve in the future. Please do not penalize a successful institution in a valuable program. Please do not reduce Navajo Community College to less than mediocrity by cutting our funding level to

the point past which we can do nothing but be less than adequate. We have fought long and hard to obtain the status and standing in the academic community we now hold. Help us maintain that standing.

Thank you, Mr. Chairman this concludes my prepared testimony.

NOTE: Attachments are retained in committee files.

Alamo Navajo School Board, Inc.
P.O. BOX 907
MAGDALENA, NEW MEXICO 87825
(505) 854-2543

STATEMENT OF DR. WILLIAM BERLIN
ALAMO NAVAJO SCHOOL BOARD, INC.
BEFORE THE HOUSE AND SENATE APPROPRIATIONS SUBCOMMITTEES
FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES
ON THE FISCAL YEAR 1983 BIA BUDGET
February 23 and 25, 1982

Mr. Chairman, we appreciate this opportunity to testify today. With me is Walter Apachito, President of the Alamo Navajo School Board (ANSB), which is a not-for-profit organization chartered by the Navajo Nation and the State of New Mexico for the purpose of operating a K-12, on-reservation grade school. Beside him is Abe Plummer, who will serve as interpreter, if desirable. In existence since October, 1979, ANSB now serves 300 students and has agreed, as witnessed by the attached Alamo Chapter Resolution, to serve an additional 179 Navajo students upon the closing of the Magdalena Dormitory, a closure recommended by the draft study of schools on the Navajo reservation. (Reference Attachment B to this statement, which states the cost savings through such closure/consolidation to be $31,000 per student).

My name is Bill Berlin. I am Executive Director of ANSB. We are here to comment on the School Operations Subactivity, particularly the Congressional intent of PL 95-561, the Education Amendments of 1978 at Section 1128, specifying development of a formula for tribally-controlled schools contracting BIA education programs, and on the Construction Activity, particularly Section 106(h) -- administrative provisions pertaining to sections 102 and 103 of PL 93-638, those stipulating that such building lease payments will be borne by the appropriate Secretary at not less than an amount otherwise provided for his direct operation of the programs. ANSB, therefore, is requesting an appropriation in the amount of $112,200, for purposes of underwriting this administrative overhead cost, from the New Direct Rentals line item of the Facilities Management Activity.

We generally support the administrations appropriation request in these areas, an acknowledgment of the national interest of reducing the inflation and budget deficit rate, while believing that re-programming of specific dollar requests in the FY 1983 BIA Budget is in the interest of this administration's emphasis on decentralization of the functions of government. For example, the $16 million General Overhead Cost Reduction proposal may represent less savings to the Treasury than it initially appears, if this Subcommittee approves the $884,000 request for a management evaluation under the School Operations Subactivity. On the other hand, the Congressionally mandated new General Administration Program Management Activity, including Education Management, by requiring an accounting of functions supported by the appropriation, could serve to provide line-item reduction of Bureau personnel costs as similar administrative overhead burdens are assumed by schools contracting the programs.

Regarding development of a formula for distribution of administrative overhead costs incurred by contract schools such as ANSB, rather than

reflecting the development of a satisfactory system for determining such costs, the FY 1983 Budget Request simply requests an increase from the FY 1982 level of $27.3 million to $30.3 million. This is accomplished by stating at page 66 of the FY 1983 Budget Justification that "...under certain conditions, lump sum payments for incremental costs may be negotiated by the Bureau...." Our opinion is that the Bureau is circumventing the intent of Congress established under the broad authority of PL 93-638, and the specific mandates of PL 95-561, regarding recovery of overhead costs associated with the contracting of Bureau programs and the formulation of educational standards. Given this opinion, and following issuance by the Bureau during September 1981, of revised Guidelines for Negotiation of Lump Sum Agreement for the purpose of contract schools' recovery of these overhead costs, I submitted written comments suggesting specific modifications, as requested; however, to date, I have neither received a written response to my October 1981 submittal nor notification of a Federal Register formal written comment period. (Legal counsel advises me that such publication would be consistent with the Administrative Procedures Act as interpreted by a unanimous Supreme Court in Ruiz vs. Morton, 415 U.S. 199 (1974)). I have most recently written the Bureau on February 8, again requesting a written response, and those documents are affixed as Attachment C to this statement.

Briefly, ANSB's opinion is that the interim lump sum agreement guidelines reissued during September 1981 do not provide an acceptable basis for negotiation of these incurred, administrative overhead costs, precisely because a formula is lacking to guide Bureau Contracting Officers in their negotiations. Absent the formula mandated by PL 95-561 at Section 1128(a)(1)(D), individual contract officers must discretionarily interpret the existing "guidelines" document, with result being a lack of consistency in recovery of these costs and a subsequent impreciseness in the estimate of the Contract Support Fund line item, this tending to result, during previous fiscal years since enactment of PL 93-638, in cash shortfalls to contractors due to under recovery -- unless the Appropriation Committee added to the Budget Request for this line item. All of this has a tendency to discourage the Congressional intent of PL 93-638, which is for tribal organizations to contract Bureau programs. Our recommendation is a Federal Register prescribed written comment period, and a resultant formula for the determination of recovery of administrative overhead costs which would yield these significant purposes: (1) to allow this committee to assess realistically the adequacy of the appropriations request, (2) give contract schools a much needed opportunity to know and plan in advance each year's administrative needs, and (3) to reduce the costs presently incurred because of negotiation for these administrative overhead costs, which, then, would simply be allocated by the formula.

A further curtailment from ANSB's potential administrative capabilities we have noted during our short two year school history, results from inability to recover rental costs of leasing nine, prefabricated, metal buildings. These provide our 300+ students with classroom space, but at an additional cost from the direct instructional fund base, in excess of $100,000 a year during the interim of awaiting new campus construction. The Bureau has calculated, in the previously mentioned draft study of schools on the Navajo reservation, a $31,000 per student savings to the U.S. Treasury from day school versus boarding school attendance; this combined with a $10 million increase in the FY 1983 Budget Request for Facilities Management, including a line item for new Direct Rentals in that Activity, encourages me to urge this Subcommittee

to include in this Activity, ANSB's rental costs until such time as new campus construction may be completed. This action would be in compliance with Section 106(h) -- administrative provisions pertaining to the amount of funds provided under the terms of contracts entered into pursuant to sections 102 and 103 of PL 93-638, stipulating that such lease payments will be borne by the appropriate Secretary at not less than an amount otherwise provided for his direct operation of the program. In this regard, affixed as Attachment D to this statement is a recent correspondence copy to the Navajo Area Director discussing the Bureau's cost obligations for both continued leasing and outright purchase. The discussion with the Area Director pointed out that an immediate purchase @ $281,904 would save $247,531 in cumulative interest payments, under the present lease terms costing $112,200 per year. Absent a FY 1982 supplemental appropriation request to purchase the buildings, as we have discussed with the Area Director, lease renegotiation is desirable in order to reduce the yearly cost by approximately 50 per cent, to $66,180. The authority for absorption of this cost through the administrative overhead budget is as cited, Section 106(h) of PL 93-638, with appropriate Budget Activity category being at page five of the FY 1983 Budget Request, under Facilities Management, as follows: "this program includes the rental cost for facilities, operation and maintenance of all facilities including those used for Indian contracted programs..." (Underscoring added for emphasis). Congressionally mandated administrative costs attendant to tribally-controlled school contracting of BIA education programs are a necessary ingredient in BIA appropriation -- much more so, for example, than "an increase of $884,000 for management evaluation of the implementation of PL 95-561." It should further be noted that, "this increase would provide funding to Areas and Agencies to begin implementation of the recommended improvements determined by the evaluation, as well as additional funding to assume responsibility for functions being decentralized from the Central Office, OIEP." (Reference page 27 of the FY 1983 Budget Request.)

Given that the procedure for determining student count at contract schools is quite straightforward, involving use of standard forms for enumeration, and is subject to on-site monitoring by Agency personnel prior to Agency Superintendent certification of the count; might this budget request, if appropriated, serve to circumvent the overall austerity intent of President Reagan's FY 1983 by lessening the impact on Bureau personnel of the proposed $16 million General Overhead Cost Reduction?

Finally, regarding the Construction Buildings and Utilities Activity, ANSB finds the narrative statement, at page 165 of the FY 1983 Request, reflecting hard, but necessary, realities of giving consideration to economies of scale in facilities construction planning, as well as recognizing the further economic reality -- and necessary direction of Indian self-determination in education -- as stated in the draft study of schools on the Navajo reservation. Affixed to this statement as Attachment E, the report states, "...when the costs and savings are computed it can be seen that day schools are much cheaper to construct and operate than are boarding schools." The Alamo Navajo Chapter, in essence, has proposed a method whereby educational efficiencies can be realized, where Navajo children can learn in a day school atmosphere conducive to better learning, and where jobs need not be lost to Navajo employees of boarding or dormitory schools now subject to the phased closure. As depicted by the Resolution in Attachment A, the work of these individuals is necessary to service the growing number of day school students in attendance at the increasing number of contract schools.

It is our firm conviction that ANSB can construct the kind of educational system intended by the Congress in enactment of PL 93-638 and PL 95-561, and we hope that you will assist us by incorporating the recommendations from this statement into your FY 1983 appropriations decisions. Again, we are appreciative of the time you have given us today to present our recommendations.

Thank you.

NOTE: Attachments are retained in committee files.

PHOENIX AREA INDIAN HEALTH BOARD, INC.
4201 North 16th Street, Suite 260
Phoenix, Arizona 85016
(602) 274-0624, 265-4619

February 25, 1982

Senate Select Committee on Indian Affairs
United States Senate
Washington, D. C. 20036

Dear Senator Cohen:

Following is testimony to be added to oral testimony which your Committee heard in Phoenix last week. Due to limited funding we were unable to send representatives at that time.

The Phoenix Area Indian Health Board was organized in the late 60's and incorporated in 1974 to provide a consumer voice for the Indian people of Arizona, Nevada, Utah and California in dealing with the Indian Health Service, Phoenix Area Office. Since those days it has received contract funding to provide that advice and to provide consultation to the Area Director. We have also carried out studies of consumer satisfaction with services and, recently, on Contract Health Services provided in this area.

After our last contracts expired on September 30, 1981, Dr. George Blue Spruce, Director of Phoenix Area Indian Health Service decided not to renew that funding. While several reasons were given for that decision, the result is that there is no organized consumer representation in the Phoenix Area at a time when services are being impacted drastically by the current funding cutbacks. Dr. Blue Spruce made several promises to other organizations that funding would be provided to them, but never awarded any contracts or issued any requests for proposals to provide such services.

Mr. Senator, this means that the Indian people in three states and the contiguous portion of the California desert are not being represented in decisions to alter or eliminate services and funding which they previously were entitled to receive. I have never understood that it was the intention of the Congress, the President or the Indian Health Service to eliminate responsible consumer voices with no alternative or hearing.

I would also like to bring your attention to a state of affairs which has existed since October 1, 1981, when Dr. Blue Spruce, directly and through his staff, has taken measures to bring about the financial ruin of this corporation through failure to pay legitimately incurred costs dating, in some cases, from 1979.

95-868 O - 83 - 19

While this matter is being pursued vigorously by our attorney and staff, it needs to brought to the attention of Congress, as it represents blatant interference in the private sector by a governmental unit charged to carry out other mandates than to interfere with the functioning of a private corporation. It appears that Dr. Blue Spruce fully intended that with his decision not to continue funding, he also determined that our corporation should go out of business. I do not understand why so many officials of the Indian Health Service believe that tribes and tirbal organizations exist as a unit of their own agency rather that as entities to be served by that agency. Whatever the case may be, it was clearly the intention of Dr. Blue Spruce and his staff to cause our corporation to fail by not paying debts owed by the United States of America under both fixed-price contracts and cost-reimbursement contract. The latter was our last contract, funded under Letter of Credit, which Letter of Credit was cut off by order of Dr. Blue Spruce's staff to prevent our corporation from drawing against it to meet legitimate costs.

At this point, Phoenix Area Indian Health Board, Inc. has about two months of life left unless payments begin to be made. I have notified the Contracting Office of Indian Health Service that I do not believe that we con continue to make payroll tax deposits after next month, and under Attachment G of Management Circular 47-7, they will be responsible to the Internal Revenue Service by their deliberate causing of this situation in which a taxpayer is unable to meet its obligations.

Mr. Senator, this concludes our testimony, as we are prevented from being able to report to you specific instances of other effects of the cutbacks. We would, at this time, like to request that your committee initiate a Genral Accounting Office investigation of the activities of the Contracting Office of the Phoenix Area Indian Health Service.

Thank you.

Respectfully submitted,

Stephan A. Levinson
Executive Director

THE FOLLOWING DOCUMENT, THOUGH ADDRESSED TO THE HOUSE COMMITTEE, WAS SUBMITTED FOR CONSIDERATION OF THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS AS WELL.

INDIAN BOARD OF EDUCATION FOR PIERRE INDIAN LEARNING CENTER, INC.

Pierre Indian Learning Center
Star Route 3
Pierre, South Dakota 57501
605/224-8661

Earl Medicine
Executive Director

Cheyenne River Sioux Tribe
Crow Creek Sioux Tribe
Devils Lake Sioux Tribe
Flandreau-Santee Sioux Tribe
Lower Brule Sioux Tribe
Oglala Sioux Tribe
Omaha Tribe
Rosebud Sioux Tribe
Santee Sioux Tribe
Sisseton-Wahpeton Sioux Tribe
Standing Rock Sioux Tribe
Three Affiliated Tribes
Turtle Mountain Band of Chippewa Tribe
Winnebago Tribe
Yankton Sioux Tribe

February 19, 1982

Honorable Sidney R. Yates
Chairman - House Appropriations
Committee or Interest to Indians
B-308 Rayburn Building.
Washington, DC

Dear Congressman Yates:

The Pierre Indian Learning Center's integrity, spirit, and their commitment to progressive education of Indian children, are essential elements for the success of Indian youth today. It is now time to project into the future, and continue our goals in making the Learning Center more alive and exciting.

We are a unique educational facility for Indian students who need exceptional help and care to make a successful educational and social adjustment to modern day life. Many of the children who attend our school are not experiencing basic educational and social growth due to a multiple of problems (ranging from bad home or community environments to excessive use of drugs and alcohol).

Through further funding allocations, the Pierre Indian Learning Center will be better able to provide fundamental education to a growing enrollment of students who desperately need individual help, care and guidance in their lives.

It is a great honor and priviledge to present our testimony to the House Interior Appropriations Subcommittee so that the Pierre Indian Learning Center can be recognized as a school whose needs are on-going--through our doors, these Indian children can achieve a destiny far greater than their forefathers.

Sincerely,

Earl Medicine
Executive Director

PIERRE INDIAN LEARNING CENTER

Star Route 3

Pierre, South Dakota 57501

Telephone: 605/224-8661

There are sixty-five (65) Indian controlled contract schools in the United States. The total student enrollment in the Aberdeen Area schools is 3,500. The school that I represent, Pierre Indian Learning Center in Pierre, South Dakota, is such a school.

Pierre Indian Learning Center (PILC), is a residential learning center for American Indian students 6-16 years of age from 15 Indian reservations in North Dakota, South Dakota, and Nebraska. The average number of students in residence was 95 for the school year 1981-82. This is an off-reservation center supported through the Indian Self-Determination and Education Assistance Act - Public Law 93-638 by a base contract with the Bureau of Indian Affairs.

In order to maintain its rich tradition as an educational institution, the school had to undergo many changes over its 92 year history. Beginning as an off-reservation boarding school for students in a seven state area, it has had to remain dynamic in order to adapt to the changing needs of the Indian people. Now the school has found the need to focus its attention on a certain segment of the population. Since 1975, when it became the Pierre Indian Learning Center, it has shifted its emphasis to the area of students with special social, emotional, and educational needs which were not being met by their

reservation educational system. Furthermore, at that time, the school was reorganized and became a contract school under Indian control by the fifteen tribes, not a Bureau operated school.

The students at PILC come from fifteen reservations of the Aberdeen Area, and a representative from each of these reservations is appointed by respective Tribal Councils to serve on the Indian Board of Education. The Board governs the program and operations of the Center.

The school operations have not ceased due to the concern and efforts of fifteen Tribal Councils, many interested Indian community members from these tribes, and a staff of dedicated people. Through the combined efforts of these people, communities, tribal councils, and staff, the school has remained open.

The Indian Board of Education for the Pierre Indian Learning Center has designated the Learning Center as a residential school and counseling center for Indian students with special needs.....that is, boys and girls with behavioral problems whose educational and emotional needs cannot be met in their home reservation schools or in presently available reservation group home facilities.

Children that come here have learning difficulties that require specially trained teachers and dormitory staff. Many have a history of truancy, some have been involved in the whole constellation of alcohol-related problems and drug abuse. Others are here on recommendation of their parole officer or tribal courts. To better understand PILC, it may be helpful to examine the background of children who have been admitted in recent years.

> Sixty-five percent of the families of the children were on welfare.
>
> Only ten percent were in the custody of their natural parents.

Nearly a fourth were in custody of a tribal court.

Slightly less than a third had previous jail experience.

Nearly three-quarters had a record of truancy from school.

Approximately forty percent were judged to be failures in school.

A third had been expelled from school.

One half of the children had attended three or more schools.

Although linguistic background, academic retardation, and the emotional stability of the children is likely to depress academic test scores, one can obtain a useful measure of educability and/or predicted capacity by examination of reading test scores. This leads us to believe that the marginal achievement report has resulted from physical neglect, poor school attendance, and general lack of motivation. Nevertheless, PILC recognizes these levels of achievement as the starting point for teaching the children (See Attachment A).

Pierre Indian Learning Center is a place where a highly trained and dedicated staff is committed to breaking the "failure cycle" in their lives. We are committed to increasing their chances for lifelong success.

The Center provides elementary education, through the eighth grade. Our classrooms are ungraded; the teachers work with each student on an individualized plan, helping them to progress toward their appropriate age-grade level. Those who complete eighth grade work receive diplomas at graduation time, and are encouraged and assisted in making plans for high school. Others who reach the age of 17 and have successfully completed a period of study at Pierre Indian Learning Center receive certificates of recognition for the work they have done and are encouraged and assisted in making plans for further training or to get started on a job.

Our dormitories provide a warm and caring place for the students to live during the school year. At the same time, the Center operates on the principle of "tough love". We have a Step System requiring each student to develop a sense of responsibility for his/her own behavior. Dormitory staff workers and classroom teachers have worked together to design a clear set of requirements which students can understand and accept, and which they can grow with. Students are divided into groups which meet regularly with staff leaders to provide family-like support for one another. Our work is based on William Glasser's Reality Therapy theory. We have seven academic goals at the Pierre Indian Learning Center, they are:

1) Develop basic academic skills commensurated with each child's assessed abilities.

2) Develop a knowledge of the humanities and the arts by using Indian culture.

3) Develop effective personal adjustment by helping the learner develop a positive self-image through daily experiences.

4) Develop good habits of health and nutrition.

5) Develop an understanding of science and natural environment.

6) Provide career education, including career motivation, by developing an understanding of the range of career choices.

7) Develop an understanding of society and the needed survival skills necessary to function in today's world.

The following information will relate the unique program at our Center.

In describing the academic program for the Pierre Indian Learning Center, it is desirable to begin with an analysis of the needs of children. All the activities on the campus relate either directly or indirectly to the development of the students. Educational experiences are provided in all phases of campus life--in the home living area; in the academic area; in counseling activities; during the recreational program; and, in all extracurricular activities. The entire campus becomes the Learning Center in its broadest sense.

Education at PILC is viewed as the process of helping children to mature by the development of attitudes, all of which are essential for a happy, productive life. The goals of the academic program takes into consideration the particular student population and its needs.

Education, as we view it, includes all aspects of a student's day—home living, recreational activities, use of free time, and finally, the academic experiences. It is believed that with appropriate funding, the total resources of PILC and the Pierre community, as outlined in this testimony, will provide the essential experiences for the development of successful children and responsible adults.

The academic program at PILC is composed of six ungraded classrooms. The curriculum offered within these classrooms stress the basic skills. An emphasis is also placed on survival livihg skills which we feel is necessary for our students to learn in today's world. An area in which we are attempting to expand our studies is in the vocational, career and job-oriented field. Our physical education program under our academic program stresses skill as well as physical development. PILC is an accredited South Dakota school for grades 1 through 8. Our Center prides itself with a strong academic, physical, and special education program.

The Special Education program which emphasizes the caring and needs of the individual student at PILC is designed to offer: (1) individualized learning skills to our students, (2) behavior modification to students who specifically need it, and (3) a program for the emotionally disturbed. We are presently serving approximately 40 students in the Special Education program.

The Title I program at PILC is another beneficial program for our students. This program provides a special support to students in the basic skill areas of reading, language arts, and math. Students having difficulty learning specific skills in these areas receive individualized or small group instruction with our Title I staff.

We have a Counseling Center program that provides vital psychological care for our students. The services that are provided takes into account the special need (personal, cultural and social) of our students. We believe that children grow best in a supportive environment which provides the opportunity for decision making, problem solving and values clarification rather than a mere exercise in endurance.

The Counseling Center administers the Intensive Residential Guidance (IRG) and the Title IV, Part A programs. The Center depends on the IRG funds for the backbone of its existance. At present, the program is supplemental with Title IV, Part A funds. The weighted factor funding for IRG has remained the same since its beginning and at best, only provides funds for a maintenance program.

It is our understanding that the Title IV program will probably sustain substantial budget revisions which could strongly effect, if not delete that source for supplemental funding. Both of these programs are vital to the PILC program if we are to make more than a maintenance effort in helping our students to cope with the circumstances life has handed them. If PILC, with its special emphasis on students who "fall through the cracks of both B.I.A. and public schools" could get a weighted formula factor of 3.5 instead of 0.5 which the formula now dictates, we would provide a progressive and productive counseling program.

The IRG program provides residential guidance while the Title IV program is halfway through a three year curriculum development program in the areas of Sex/Family Relations; Alcohol/Drug Education; and Human Relations. The completed curriculum will provide the teacher with sufficient culturally relevant material to teach these subjects in the classroom.

We have a Home Living program where the duty of the employees is to create an atmosphere which projects parental love, understanding and acceptance of each student as an individual. The focus of unity is to assist the students in the development and the task of learning about the world around them and acquiring knowledge as it applies to their physical, social, cultural and emotional needs.

To this point, we are striving to fulfill the students academic and emotional needs. We have taken the following examples from our files which will relate to the sucess we are experiencing:

WILLIAM: William came to PILC in October of 1980. He was 14 years old and had attended school a total of 14 days in his life. He was a non-reader and very anti-social. In May, William was interacting with other students and staff and received a 5 year/8 month score in reading on the SRA Achievement Test. William is a student at PILC at the present time—while he is not experiencing the tremendous surge of growth that he experienced during the 1980-81 school year, he is progressing both academically and emotionally.

WILLIAMETTE: Willie is a 15 year old girl who came to PILC from a detention school in North Dakota. At the North Dakota school she was receiving Mellaril, 100 miligrams, three times a day and according to records,

spent a considerable amount of time either in a straight jacket or in the "quiet room" (padded room). Since coming to PILC in September, 1981, staff has worked dilligently in a team effort with Willie. She has had no medication since she came here and is functioning and working to cope with her emotional problems.

We do not feel that we have accomplished total success for their emotional or home living needs. We are going in the right direction and definite progress is being made.

Because of the problems that students face at home, the average students entering Pierre Indian Learning Center is three years behind in reading and four years behind in arithmetic. One of the more obvious and dramatic symptoms exhibited by these children is the abuse of chemicals. A study of student behavior and experience while at home was conducted by the Pierre Indian Learning Center counseling staff which expands on these issues. This Drug Survey was done during the school year 1981-82. The samples of 55 students (58% of the population) resulted in the following data:

* 90% had experimented with alcohol
* 85% came from homes with alcohol related domestic problems
* 65% had been abused by drinking family members
* 85% had used/abused cannabis
* 65% had abused inhalents

It must be kept in mind that these are not adults.

Students reported the average first use of chemicals at 10.3 years with the youngest reported at 3 years. The average age of the survey sample was 13.0 years.

In the same survey, sampled students reported that:

* 9% had been sexually abused
* 38% had been sexually active
* 58% had friends/family who are unwed parents

Two of the reports of sexual abuse came from eight year olds.

Pierre Indian Learning Center is an individual place. It is just beginning to discover its own potential. Indians and non-Indians work together here because we know our children are not living in a closed society. They must experience diversity, not only for each student, but also for the Center--we want to build a habit of sucess, step by step. That is our goal.

You have just heard about the Pierre Indian Learning Center as it is now. We are attempting to go further with our program.

Our Special Education program, through formula funding, is providing assistance to the students who have been tested and are placed within that program. Each year, our program has increased its abilities to achieve success with these students.

The PILC Intensive Residential Guidance program, currently operated within the Couseling Department, does not adequately cover the cost involved to meet our students needs.

The IRG program is designed to provide for resident students that need special residential services due to one or more of the following reasons: truancy, court placement, previous expulsion, psychological referral, or a pattern of extreme disruptive behavior. IRG is to the student in the dorm what Special Education is to the student in the school.

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Pierre Indian Learning Center is, for many of its students, the last resort before dropping out of the educational process, thus it has special program needs. The students who attend Pierre Indian Learning Center are those who because of the nature of their problems, do have difficulty in finding other programs to serve them. At least eighty percent of these students can be classified Unsocialized Agressive Reaction of Adolescence and Childhood according to the Diagnostic and Statistical Manual of the American Psychiatric Association (DSM III). "Normal" schools when faced with the extreme acting-out behavior of these students, expel them. Because they are not psychotic or "crazy" in a technical sense, they typically do not warrant hospitalization or out-patient treatment. They are typically, identified as "delinquent" and are sent off to juvenile facilities or the Pierre Indian Learning Center.

Additionally, each year, Pierre Indian Learning Center receives students who are classifiable as Borderline Psychotic or "Borderline Syndrome" children. This means that under normal conditions of stress, the student can respond normally. When faced with even moderate levels of stress however, these students lose the ability to deal with reality and can respond quite psychotically for brief periods of time. Typically, these students are on some sort of internal "schedule", say four to six weeks. Regular "tantrums" occur on this basis, plus any situations which overextend the ability of the students to cope.

Borderline Syndrome Native American children are not characteristically treated in this area, other than to send them to boarding schools that are ill-prepared to cope with the periodic outbursts. They are seldom identified at all, other than as delinquents and are treated as such.

Given additional weighted factors for the Intensive Residential Guidance students at PILC, adequate funds would be available. Using this money, additional Intensive Residential Guidance Counselors would be hired who are more adequately trained and with better experience levels than is currently possible. These counselors would be assigned to the dormitory during evening and weekend hours. As with present Intensive Residential Counselors, they would be responsible for the design, maintenance and monitoring of Individual Therapeutic Plans (ITP's) for students in their case load.

Additional counselors would be assigned to the school academic counseling program, with similar duties in the classroom during school hours.

We have found that student progress is maximized by providing reasonable and effective ratios of students to counselors. If the program is to be truly individual, ratios should not exceed 10 students per counselor. Crisis situations which do occur, have in the past, interfered with regular program activities.

These staff would be involved in individual counseling alternative activities and tutoring of students. The same would be true of counselors assigned to school duties. The advantages to be accrued from this proposal program over the present one would be:

1) Consistent follow through on both good and bad behavior due to smaller case loads.

2) Early intervention on problems, preventing most of them from reaching crisis proportions which warrant contact with the law, expulsion, etc.

3) Truly individualized plans on students with the capacity to follow though in all phases of the plan at all times.

4) The ability to deal therapeutically and see a more rapid change in student attitude and behavior.

5) Improved academic performance and concommitant increase in self-esteem.

6) Enough time for staff people to be able to communicate to the students that they are worth something including an adult's time and concern.

The current program is not able to provide these things to students on a consistent basis. While to some, the staff number may seem high, these ratios are what is needed to guarantee success with students who have learned to "beat the system" at their own expense. From such a program they would learn to beat the system in a positive manner and to everyones advantage.

If the weighted factor were increased, we would be able to provide more consistent counseling, activities, and more indepth guidance with our students. As it is now, we can only employ four (4) paraprofessionals who have on an average of 20 students for a case load. This is a maintenance program, this is not an intensive residential guidance program.

Because of the breakdown in the family structure and the problems that result, our students come from negative home environments with little parenting provided. In the short time they are at the Pierre Indian Learning Center, we feel that we have to assume total responsibility for their academic, social, cultural and emotional needs.

While formula funding does work, it could work better. For the Pierre Indian Learning Center and other contract schools, formula funding offers the accountability that has long been needed, however, we must not forget that we can not keep doing the job with a formula that is outdated.

In order to maintain our individual concept and to have additional teachers on the staff to offer special assistance, we have tried to work out the most economical plans possible. The need is there; we cannot begin to fill the requests for admission. No matter how well things go on the reservations, there is always a need for an off-reservation school like PILC.

I have taken this time to describe our school and its setting in order that you may recognize the quality of this undertaking and understand the cost related to this effort. Many of our needs are unique due to the kind of students we serve but some are similar to those of other contract schools. Therefore, please keep in mind that, although I have talked primarily about the Pierre Indian Learning Center, my concerns are for all Indian contract schools.

I cannot emphasize enough, the importance of quality professional staff, quality support staff and quality training for a quality school.

ATTACHMENT A

SAMPLING

AVERAGE READING GRADE EQUIVALENTS FOR STUDENTS
AT THE PIERRE INDIAN LEARNING CENTER

(California Test of Basic Skills)

Children	Number of Children	Average Reading Grade	Range of Average Reading Grades
9	2	2.8	2.6 - 3.1
10	6	4.0	2.5 - 4.8
11	6	4.1	3.1 - 6.3
12	8	3.6	2.9 - 4.9
13	8	5.3	3.4 - 9.0
14	11	5.2	3.4 - 8.4
15	15	5.2	2.5 - 7.4
16	4	4.9	3.2 - 6.6

TESTIMONY OF THE PYRAMID LAKE TRIBAL HEALTH DEPARTMENT, SUBMITTED BY LAURA VARGAS, TRIBAL HEALTH DIRECTOR, PYRAMID LAKE PAIUTE TRIBE

The Pyramid Lake Paiute Tribe is essentially an American Indian Tribe organized pursuant to the provisions of Section 16 of the Reorganization Act of 1934 and is recognized by the United States Department of the Interior and the Bureau of Indian Affairs.

The Tribal governing body consists of 9 duly elected councilmen and 1 duly elected Tribal Chairman.

As the Pyramid Lake Paiute Tribe has the responsibility of preserving and protecting the general welfare of its community members, it established the Tribal Health Department, through funding from the Indian Health Service. This program, staffed by a Health Director and Health Secretary aids in the supervision and administration of four health related programs for the reservation. The tribe has singled out the most basic and most needed programs to aid their reservation community.

Among these basic five programs the Community Health Representatives are high on the priority list. As this reservation is located 50 miles one way from the nearest city where health facilities are located, the need for availability of transportation and ready access to a facility is a major concern and goal of this program.

As a great majority of the reservation have no means of transportation reaching a facility that is 50 miles or 90 miles away (IHS-PHS facility), becomes a major problem especially when the need is very great.

The Community Health Representatives serve as the communication line between the reservation community, a number of 1111 total population for 1981 and all health related programs on the reservation. As they make home visits as well as transport. They serve as a watchdog on health related matters for the community members.

The Pyramid Lake Indian Population count is as follows:

65 years and over	36
45 - 64 years	79
35 - 44 years	74
25 - 35 years	105
16 - 24 years	202
1 - 15 years	335

The high amount of the reservation young are in need of immunization clinics to protect them in their future years. This service is provided by the CHR in coordination with the Indian Health Service - PHS. The elderly of our reservation must have general care on a weekly basis. The CHR's provide blood pressure checks, bring in needed medication, and provide follow up checks on elderly under medical supervision.

The CHR's also serve as the Emergency Medical Unit for the Tribe as the tribe has no unit to date. They provide emergency transportation as well as basic emergency care during transport. Unfortunately, with budgets like they are, there are no monies available for further training to become certified in EMS, nor can they update methods of the service they provide now.

Native Americans living on isolated reservations cannot very well receive health care if they have no means of getting to it. Neither can they receive it if it is not brought directly to them. We cannot stress the value of the Community Health Representatives Program enough. We can only ask that Congress take special consideration of what the loss will be to Native Americans who are greatly in need of this program.

The Government may choose to neglect a responsibility they brought on themselves years ago, but it will be this lack of responsibility that will cause loss of lives in the long run and it will be a stain on the government that will not easily disappear.

It is our request that Congress closely review the situation and the number of people a plan like this will effect.

With the threat of the CHR Program becoming non-existant the government who initiated care of the Indian Communities, will be destroying a very real and main contributing factor to the whole idea of health care for the Native Americans.

We are but one tribe among many who know the actual realization of what it is like to be unable to reach or maintain adequate health care.

Again, we ask your consideration and understanding on the sincere need for continuation of this program.

Sincerely,

Laura Vargas

Laura Vargas
Tribal Health Director
Pyramid Lake Paiute Tribe

SEATTLE INDIAN CENTER, INC.
121 Stewart Street - Seattle, WA 98101
(206) 624-8700

Camille Monzon-Khamsei
EXECUTIVE DIRECTOR

March 9, 1982

The Honorable William S. Cohen
Chairman, Select Committee on Indian Affairs
The Dirksen Building
Washington, D. C. 20510

Dear Senator Cohen:

I would like to reemphasize two main points offered in my recent testimony before the Select Committee on Indian Affairs. Your assistance is crucial if the urban Indian is to survive in todays times.

The first thing and perhaps the most helpful, would be that the urban Indian and his plight, is recognized. Secondly, that report language be introduced that defines the urban, the urban's status and his rights to equitable access to resources devoted to Native American problems.

The current emphasis of the BIA, on or near reservation Indians, totally disregards well over 50% of the Native American population. This creates a situation that is most terrible in terms of human suffering and loss.

Respectfully,

A. W. Terry
Member of the Board

AWT:nt

Seattle Indian Center, Inc.
121 Stewart Street
Seattle, Washington 98101
(206) 624-8700

Camille Monzon Khamsei
Executive Director

Representatives: Betty John
Director,
Family Services

Jim Price
Chairman,
Board of Directors

Wayne Terry
Board Member

... Current legislation and policy mandates recognize "on or near" reservation Indians.

... The most recent demographics indicated almost 54% of all native Americans live in urban settings.

... Because of the stated constraints denying urban centers adequate funding:

- The unemployment rate for Indians is 40%.
- In Washington State, 63% of all Indians over 25 have not graduated from high school.
- The average age at death of the Puget Sound Indian is 47.2 years.

... Our recommendations are:

- That policy, regulation and legislation address the plight of the urban Indian.
- That policy, regulation and legislation language include the urban Indian for elgibility in funding on a par with programs devoted to "on or near" reservation Indians.
- That efforts by the Department of Interior to exclude the funding for Indian child welfare services through urban centers be curtailed and withdrawn.
- That policy and legislative language of Title IV, which currently make the urban centers eligible for funds be maintained, regardless of funding source or department location.
- That the language of block grants carry with them the mandate of the Federal Government that the needs of the programs serving the urban Indians be met.

UNEMPLOYMENT: In the greater Seattle area, the rate of unemployment among Indians is 40%.

EDUCATION: In Washington State, 63% of all Indians over the age of 25 have not graduated from high school.

HOUSING: Fifty-two percent of the Seattle Indian Center's Nutrition Program clients are "transients"

living "on the street."

LIFE EXPECTANCY: The average age at death for Indians living in the Puget Sound area is 47.2 years.

INCOME: Forty-four percent of those persons receiving congregate meals at the Seattle Indian Center have no income whatever; another forty-four percent have incomes below 40% of the state median income.

INFANTS & CHILDREN: Maladies (including sudden infant death syndrome and birth defects) which result in the death of infants, are the third leading cause of death among Indians living in the Puget Sound area.

One-third of all Indian children are partially or totally deaf due to the effects of otitis media, a disease so rare in the general population that no statistics are kept.

In Washington State, the adoption rate for Indian children is 19 times greater than the non-Indian rate, and the foster care rate is ten times greater.

Surveys taken by the Association of American Indian Affairs (AAIA) indicate that 25 to 35 percent of all Indian children are separated from their families and placed in foster homes, adoptive homes or institutions.

MORTALITY: The accidental death rate for Indians living in the Puget Sound area is double the national average. Five out of every 100 Indian teenagers will commit suicide in 1982.

The death rate resulting from influenza and pneumonia among Indians living in the Puget Sound area is 1.8 times the U.S. rate.

Among Puget Sound Indians, the number of deaths caused by cirrhosis is more than twice the average for Indians in the 25 reservation states and 7.2 times the national average of all races.

Alcoholism among Indians in the Puget Sound area is 8.4 times the national average.

TESTIMONY OF STANDING ROCK COMMUNITY COLLEGE
FORT YATES, NORTH DAKOTA

The Standing Rock Sioux Indian Reservation, located on the west bank of the Missouri River, consists of approximately 2.3 million acres. The climate is arid with an average rainfall of 15 inches per year, and temperatures range from 100 degrees in Summer to 40 degrees below zero in winter.

Transportation and communication are problems on the reservation. There is no public transportation and distance between communities is great. Only a few highways cross the region. Service roads maintained by the Bureau of Indian Affairs and counties are poor and often impassable in winter and spring. Because of generally low income levels, few people have telephones. Rural isolation, then, is characteristic of the reservation.

There are 5,781 American Indians, mostly of the Hunkpapa band of the Teton Sioux, living in the area. Of these, 2,716 are under the age of sixteen. Approximately 5,000 non-Indians reside within or near the reservation boundary.

Indian and non-Indian populations differ. The Indian population is younger than the non-Indian population, and it is increasing more rapidly. According to 1970 Census figures, the median age for North Dakota Indians was 16.4 years. The Indian population of North Dakota more than doubled between 1950 and 1970, and increased over 50% during the last decade alone. Indian families are larger than those of the rest of North Dakota. In 1970, 41.7% of North Dakota Indian families had three or more children under the age of eighteen. For the same period, only 20.1% of the families in the United States had three or more children at home.

The statistics on poverty for the Standing Rock Indian Reservation point to some of the more harsh realities of reservation life. In a 1978 Census up-date for the Tribal Overall Economic Development Plan, it was found that

46% of the potential reservation labor force was unemployed. Accurate information on Indian income is limited; however, according to figures in 1977, average Indian per capita income was only 25% of U.S. per capita income. High unemployment and low incomes can be attributed, in part, to inadequate education.

Given the information presented in the preceding paragraphs, it is clear that Standing Rock Sioux Reservation is fairly typical in that it is remote, poor, and without a great deal of hope for the immediate future. One solution to the problems that face this reservation is to provide quality higher education at local sites so that individuals have options to remain at home or to obtain the skills required to leave the area.

Standing Rock Community College (SRCC) is a small tribally controlled community college located on the Standing Rock Sioux Indian Reservation in North Dakota and South Dakota. SRCC is a candidate for accreditation with the North Central Association of Colleges and Universities. SRCC also maintains affiliate relationships with Bismarck Junior College (Bismarck, North Dakota), North Dakota State University (Fargo, North Dakota), and the University of North Dakota (Grand Forks, North Dakota).

Course offerings consist of a basic two-year liberal arts program, a business education program, vocational education programs, an agricultural education program, a four-year degree teacher training program, and a four-year degree university studies program. The College also offers Adult Education courses for the reservation.

SRCC has been operating since 1972 and presently has an enrollment of 224 students with an FTE of 181. SRCC also owns and operates the Sioux County newspaper and assists the Tribe in various projects such as a bus service to nearby communities, farming, and workshops.

SRCC has fulfilled a previously unmet need on the Standing Rock Reservation. This is reflected in the number of graduates it has produced since 1976. Most of the graduates had only SRCC to turn to for higher education because of job commitments, family obligations, and geographic and cultural isolation.

The impact in numbers for 1975-1981 is as follows:

• Associate of Arts Degree	61 graduates
• Associate of Science Degree	14 graduates
• Bachelor of Science Degree	35 graduates
• Nursing Certificate	15 graduates
• Clerical Certificate	2 graduates

SRCC's impact on its community will continue to be positive and productive.

The major problem of the past which beset SRCC was the lack of a stable funding source. The everyday worry of paying bills and meeting payroll continually circumvented the need to follow a long-range plan. Without a stable funding source SRCC would have begun to stagnate and the local initiative and interest which started SRCC would not have been enough to prevent stagnation in these times of overwhelming inflation.

Public Law 95-471, the Tribally Controlled Community College Assistance Act, was the fiscal relief so desperately needed by the tribal community colleges. SRCC has begun to develop a long-range budgeting and planning process which has true meaning. Other long-range budgets and plans were done in the past but were changed so often because of unstable funding that they became meaningless.

Some of the immediate positive effects of Public Law 95-471 were felt in the following areas:

1. Staff: SRCC is able to hire more and qualified instructional staff. Previous instructional staff had been severely overloaded in their course load and many part-time instructors were needed. Now more full-time instructors are on board and the need for part-time instructors has been reduced. This brings continuity and a better learning environment to SRCC for its students.

2. Accreditation: SRCC has been able to work more diligently on the recommendations from North Central Association for full accreditation.

3. Curriculum Development: SRCC has now the time and administrative staff to focus on projects which upgrade present and develop new curriculum for the students' educational needs.

4. Instructional, Administrative, and Support Staff Development: Public Law 95-471 has allowed SRCC's staff to take the opportunities offered to upgrade their present skills. This greatly enhances SRCC's staff's ability to do a better job for the students and the community.

As can be seen by the few examples stated above, Public Law 95-471 has been the stable funding source needed. SRCC states its strong support of Public Law 95-471.

SRCC's two major concerns are financial in nature: the continued funding of P.L. 95-471, The Tribally Controlled Community College Assistance Act, and the never ending battle to justify the 471 funding future. SRCC would like to state that it is the only real option left for the adult population of the Standing Rock Sioux Tribe. Unemployment is at 82%, inflation has all but made funding relief meaningless, and the present recession has closed all doors to relieving the economic pressure on the people of Standing Rock Sioux Reservation. SRCC provides the only opportunity for people to reevaluate their future and then seek education to realize their goals for employment and a better future.

By constantly underfunding 471, the Administration and Congress have severely limited SRCC's ability to serve its peoples' needs. The constant need to justify our existence puts an unnecessary financial burden on the tribally controlled community colleges who have to spend valuable time and money restating their peoples' need for higher education.

SRCC and the other tribally controlled community colleges are their peoples' most viable option to retain and insure a better life and economic future for their tribes.

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STANDING ROCK COMMUNITY COLLEGE
GRADUATE DATA

TYPE OF DEGREE	INDIAN		NON-INDIAN		1975-1976		1976-1977		1977-1978		1978-1979		1979-1980		1980-1981		TOTAL
	M	F	M	F	SP	SM	SP	SM	SP	SM	SP	SM	SP	SM	SP	SM	
A.A.	25	26	5	5	7	0	5	0	9	0	13	0	17	0	10	0	61
A.S.	0	13	0	1	0	0	3	0	2	0	5	0	2	0	2	0	14
Certificates: Clerical	0	2	0	0	0	0	0	1	0	0	0	0	1	0	0	0	2
Nursing	0	12	0	3	0	0	0	0	0	6	0	3	0	3	0	3	15
B.S.	16	19	0	0	0	0	0	0	7	0	11	0	13	0	4	0	35
G.E.D.	21	33	2	11	0	0	0	0	13	0	13	0	24	0	17	0	67
TOTALS	62	105	7	20	7	0	8	1	31	6	42	3	57	3	33	3	194

A.A. - Associate of Arts Degree
A.S. - Associate of Applied Science Degree
B.S. - Bachelor of Science Degree
GED - General Equivalency Diploma

SP - Spring
SM - Summer
M - Male
F - Female

Public Law 95-471
Tribally Controlled Community College Act

Budget Need Projection for Fiscal Year 83

I.	PERSONNEL		532,600
	A. Full-Time	435,000	
	1. Fringe Benefits 16%	69,600	
	B. Part-Time, Instruction	25,000	
	C. Instructional Materials	3,000	
II.	BOARD EXPENSES		10,500
	A. 8 Members (Per Diem/Travel)	10,500	
III.	HOUSING		3,000
	A. SRCC Obligations	3,000	
IV.	TRAVEL		22,000
	A. Faculty	20,000	
	B. Repairs	2,000	
V.	CONSULTANTS		25,000
	A. T & T A	25,000	
VI.	OFFICE EXPENSES		21,000
	A. Supplies	9,000	
	B. Postage	2,500	
	C. Printing	8,000	
	D. Advertising	1,500	
VII.	GRADUATION	3,000	3,000
VIII.	STUDENT ACTIVITIES	2,000	2,000
IX.	CAPITAL OUTLAYS: VEHICLES	10,000	10,000
X.	MISCELLANEOUS EXPENSES	2,000	2,000

XI.	EQUIPMENT REPAIRS	2,000	2,000	
XII.	DONATIONS, GIFTS, DUES, REGISTRATION FEES	3,500	3,500	
XIII.	BUILDING MAINTENANCE		76,000	
	A. Utilities	52,000		
	B. Insurance	13,000		
	C. Supplies	6,000		
	D. Repairs	3,000		
	E. Other	2,000		
XIV.	TELEPHONE	10,000	10,000	
XV.	LIBRARY	8,000	8,000	
	OPERATIONAL TOTAL			$730,600
XVI.	SPECIAL NEEDS (CONSTRUCTION)		184,000	
	A. Bullhead, South Dakota	46,000		
	B. Little Eagle, South Dakota	46,000		
	C. Wakpala, South Dakota	46,000		
	D. Cannonball, North Dakota	46,000		
	SPECIAL NEEDS (CONSTRUCTION) TOTAL			$184,000
	GRAND TOTAL BUDGET PROJECTION FOR FISCAL YEAR 83			$914,600

Operational Budget Justification

Fiscal Year 83

The budget prepared by SRCC accurately reflects the operational needs of the institution. An interesting point to be made here is, this budget was calculated based solely on need and then pro-rated at the $4,000.00 authorized level per FTE. The proration reflected that SRCC should be able to serve 182 FTE for 1983. SRCC's present FTE for Spring Semester of 1982 is 181 FTE. If the present pattern of growth in the student body stays constant, SRCC could have as many as 195 FTE for the Fall of 1983.

This illustration points out the need for SRCC and its real need to be funded at an adequate level. This would insure the continued growth and development of SRCC as an institution of higher education with a real future.

Personnel: This line item provides SRCC with its core administration, full-time instructors, librarian, and part-time instructors. It also includes all fringe benefits and instructional needs of the administration and faculty.

Board Expenses: This line item provides for the basic needs of SRCC's governance.

Housing: SRCC's miscellaneous obligations to its various faculty in the area of housing.

Travel: Travel is an absolute must for SRCC which provides instruction at seven locations on the Standing Rock Sioux Reservation. Also, some travel is necessary off-reservation for various professional meetings, national meetings, etc.

Consultants: The need for intensive consultation is upon SRCC as it approaches its full accreditation visitation in the winter of 1984. SRCC must prepare itself for a most rigorous academic evaluation by the North Central Accreditation Association.

Office Expenses: Standard needs for providing efficient administration at SRCC.

Graduation and Student Activities: These are SRCC's efforts to provide students with the basic funding to be involved with their college.

Capital Outlays: Vehicles: SRCC must consider the replacement of its vehicles which are used for instructional travel and maintenance.

Miscellaneous Expenses: All SRCC uncalculated fiscal needs which show up throughout the year.

Equipment Repairs: Standard need for a small operation.

Donations, Gifts, Dues, Registration Fees: Standard outlay for an educational operation.

Building Maintenance: SRCC's main campus building is covered by this line item. The expense is higher than expected because of the excessive heating and cooling needs of an educational building located on the plains of North Dakota.

Telephone: Normal expenditure.

Library: SRCC has a real need to improve its library's ability to serve the growing needs of its students. This also becomes more important as SRCC approaches the full accreditation mark of 1984.

Special Need Budget Justification

Fiscal Year 83

Construction: SRCC provides instruction at seven locations on the Standing Rock Sioux Reservation. The only facility presently operated by SRCC is located at Fort Yates, North Dakota. This facility functions as the center teaching facility and campus for SRCC. The other locations are borrowed facilities in the communities served. This is becoming a major problem as the expense of these borrowed facilities goes up. To plan efficiently for the future, SRCC must begin exploring the options of buildings its own facilities in the outlying communities.

These facilities would be small, efficient instructional units. They would have one large classroom, a small office space, and sanitary facilities. At this time, facilities of this nature would serve SRCC well.

UNITED SOUTH AND EASTERN TRIBES, INC.
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Rex J. Evans

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Seminole
Leonard Garrow, Vice President
St. Regis Mohawk
Curtis Osceola, Secretary
Miccosukee
Frank Steve, Treasurer
Choctaw

Member Tribes

Cherokee
Chitimacha
Choctaw
Coushatta
Maliseet
Miccosukee
Mohawk
Passamaquoddy
Penobscot
Seminole
Seneca

February 24, 1982

Senator William S. Cohen
1251 Dirksen Senate Office Bldg.
Washington, D.C. 20510

Dear Senator Cohen:

Enclosed you will find a copy of the testimony that I am giving at the request of the Indian Tribes in your State. The main bone of contention is the unilateral decision to close the Eastern Area Office without sound justification.

Also, enclosed you will find a copy of a letter to Mr. James G. Watt, Secretary, Department of the Interior regarding the elected Leadership's views on this proposed re-alignment. I am sending you this for your background information as the Tribes in your State have requested. We will need your support to have any meaningful impact upon this decision.

Should you or your staff have any questions regarding these matters please contact myself or Mr. Rex Evans at USET.

Sincerely,

Michael D. Tiger
President

MT/mn

Enclosure

6067B

"Because there is strength in Unity"

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February 23, 1982

Mr. James G. Watt, Secretary
Department of the Interior
Washington, D.C. 20240

Dear Mr. Secretary:

I am writing you on behalf of the Leadership of the twelve Tribes who constitute the United South and Eastern Tribes. USET was formed in 1969 when the four federally recognized Tribes in the East realized that only when joined together were they able to impact those policies that so affected their daily lives. Once again, the Indian people feel threatened and have called upon their Leadership to take action.

The recent announcement regarding the realignment of the Bureau of Indian Affairs Central and Area offices come as no surprise to the Chairmen. In todays economic and social climate it is no wonder that dedicated, well meaning, and loyal agents of your department have desired to re-design and strengthen the Bureau of Indian Affairs in its' service provision to Indian people as mandated by law.

What is surprising, is the casual indifference to the wants and desires of the service population itself, in this case, the Indian people in the Eastern Area. In one fell swoop your agents have disregarded what has taken these Chairmen their entire lives to obtain, that is, recognition of their needs as Indian people and as Indian Tribes.

The Tribes who comprise USET have some of the most dedicated and respected Leaders in the entire United States. These Tribal Leaders know what it is to seek a better way of life for their people, they know what can be obtained in the areas of economic and resource development and they know how to obtain the goals they set for their people and themselves.

"Because there is strength in Unity"

The USET Leadership has studied the Deputy Assistant Secretary's plan for the re-alignment of the Bureau and see no rational, sound, just, or sincere reasons to close the Eastern Area Office. We asked the Deputy Assistant Secretary for justification based on cost effectiveness and he had none, we asked the Deputy Assistant Secretary for justification based on improved service provision and he had none.

Believe me, we have reasons for not closing the Eastern Area Office based on sound economic, social, and logistic reasons. The USET Chairmen will be developing and selecting an innovative and revolutionary method for the provision of services to the Indian people in the East that takes into account the very reasons for the re-alignment in the first place.

It is our understanding that Mr. Ken Smith, is checking to see if you will be available to meet with the elected Leadership of the East on March 12th. We want to meet with you and discuss our plan that we intend to submit to our Congressional Representatives.

Please let me, on behalf of the elected Leadership of the Indian people in the East reiterate our desire to meet with you on March 12th.

Sincerely,

Michael D. Tiger
President

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February 24, 1982

Congressman Sidney Yates
House Appropriations Sub-Committee
on the Interior and Related Agencies

Dear Congressman Yates:

My name is Mike Tiger and I am the President of the United South and Eastern Tribes (U.S.E.T.). USET represents twelve federally recognized Tribal Governments in the Eastern United States and the Tribal Chairmen from our membership have asked me to appear before your Committee and speak to what the elected Leaders of the Tribes feel is one of the greatest threats of their self-determination in the past three decades. That is, the closing of the Eastern Area Office, BIA, and the disruption of services it will cause.

We ask that your Committee take a long hard look at the budget of the Bureau of Indian Affairs and the proposed re-alignment of the area offices. We can not see how this re-alignment will save service dollars nor can we see an improvement in service provision from such a move. We ask that the Bureau show your Committee and the Indian Leadership in the East what effect this will have both on short term and long range basis.

The "New Federalism" policy that the Reagan Administration is pushing lacks both the historical and practical imput from Indian people that is necessary for it to work. The States have time and time again refused to deal with the federally recognized Tribes as they see this as a breach in the Trust Responsibility of the Federal Government to Indian people. The Fiduciary and Trust Responsibility of the Federal Government to provide services through the Bureau of Indian Affairs, the Indian Health Service and other agencies has been up-held in the law.

President Reagan in his campaign commitment to the Indian Leadership has stated that he supports the government to government relationship and self-determination. It is evident, through this budget, that the commitment is not being up-held by his agents within the Department of the Interior.

The Leadership of the Eastern Tribes are on record opposing the proposed re-alignment of the Bureau for the following reasons:

- the elimination of the Eastern Area Office will seriously disrupt the provision of services to the Eastern Area Tribes, services that only since 1973 that they have enjoyed.

- PL 93-638 mandates improved service provision and this move clearly violates that law.

- the Assistant Secretary can not show the cost savings both in the short term and long range and has admitted that the figures can not be had to justify this move for 6 to 8 months.

- the Bureau must realize that it is dealing with people, and that asking the Eastern Area Tribes to move to Oklahoma is as disasterous today as it was in the 1830's.

The Leadership of the Eastern Tribes will be submitting to our Congressional Representatives and the Department of the Interior an innovative plan for service provision to the Indian people in the East.

In regards to the budget for the Indian Health Service the Eastern Area Tribes are against closing out the Community Health Representative program as it is the backbone of the Preventative Health Care Programs in the East. The CHR program among the Eastern Tribes is necessary for the continued improvement of the benefits in preventative medicine.

On behalf of the elected Leadership of Indian people in USET, I want to thank you for giving me this opportunity to present our views.

Sincerely,

Michael D. Tiger
President

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February 25, 1982

Senator James A. McClure
Senate Appropriations Sub-Committee
on the Interior and Related Agencies

Dear Senator McClure:

My name is Mike Tiger and I am the President of the United South and Eastern Tribes (U.S.E.T.). USET represents twelve federally recognized Tribal Governments in the Eastern United States and the Tribal Chairmen from our membership have asked me to appear before your Committee and speak to what the elected Leaders of the Tribes feel is one of the greatest threats to their self-determination in the past three decades. That is, the closing of the Eastern Area Office, BIA, and the disruption of services it will cause.

We ask that your Committee take a long hard look at the budget of the Bureau of Indian Affairs and the proposed re-alignment of the area offices. We can not see how this re-alignment will save service dollars nor can we see an improvement in service provision from such a move. We ask that the Bureau show your Committee and the Indian Leadership in the East what effect this will have both on short term and long range basis.

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On behalf of the elected Leadership of Indian people in USET, I want to thank you for giving me this opportunity to present our views.

Sincerely,

Michael D. Tiger
President

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